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Near East/South Asia Report



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NEAR EAST/SOUTH ASIA REPORT

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GULF BANKS FACING PROBLEMS DUE TO OIL PRICE DROP

London AL-HAWADITH in Arabic 9 May 86 pp 56-57, 60

[Article by Walid Abu Murshid: "Gulf Banks Are Adjusting To Guidance"]

[Text] The events of 1985 made it apparent to most Gulf banks that their concerns were ultimately inseparable from those of the oil industry.

The Saudi Investment Bank, which was the first to report its financial results for 1985, suffered the first loss reported by a Saudi bank in 12 months, due to a large percentage of uncollectable loans. In the wake of these results, the bank has put a stringent austerity plan into effect, which has mainly resulted in the laying off of 65 employees, who constituted 23 percent of the administrative staff.

The Gulf Bank, which was the first Kuwaiti bank to report losses due to bad debts in 1985, reported losses of 18 million Kuwaiti dinars, or \$62 million.

In Bahrain, the Chase Manhattan Bank reported that as a result of the economic slowdown in the region it was forced to lay off 25 Bahraini employees, constituing 18 percent of the administrative staff.

In short, 1985 was a year of lower profits for all the Gulf banks, but by amounts that differed in accordance with the volume of bad and uncollectable debts. In this atmosphere of reduced profits it is becoming clear that austerity and reduction of administrative costs will be necessary until the lean years are over.

What exactly is the situation of the Gulf banking industry at a time when oil prices have dropped to their lowest level in a decade?

Saudi Arabia

The realistic estimate which has recently been confirmed by the Saudi authorities during the preparation of the kingdom's national budget has made it clear to Saudi bankers how important a commitment to a conservative banking policy is during this difficult period.

specifically, Saudi bankers attribute the decline in the banks' profits to three basic factors:

- 1. A 2-percent drop in bank interest earned in 1985, which caused a significant loss of revenues for the banks.
- 2. A trend by depositors to transfer their deposits from non-interest bearing accounts to savings accounts and interest bearing accounts. Non-interest bearing accounts had previously comprised 45 percent of total bank deposits and was a source of considerable profit.
- 3. The high percentage of bad debts, whic' represented about 25 percent of all bank loans. This factor, which has been the most significant cause of lower profits for Saudi and Gulf banks, has to a certain extent developed into a problem with legal and political ramifications, in view of the fact that Islamic religious statutes forbid usury.

The Saudi banks' constant fear that they will be unable to collect their debts legally makes them hesitant to offer loans to private industry. They avoid resorting to the courts, despite the fact that they have \$3.56 billion in uncollectable loans. This has forced them to increase budgetary reserves allocated for bad debts. In fact, each of the 11 Saudi banks allocated \$1.5 billion for their bad-debt reserve fund in their 1985 budgets, which amounted to a total of \$16 billion [sic]. These steps, however, do not mean that the reserves or the loans are subject to specific laws, since the Saudi Monetary Agency, SAMA, allows each bank the freedom to pursue debts any way it deems appropriate.

In searching for the causes of the difficulties faced by Gulf banks in 1985, late last year the Saudi monetary authorities asked these banks for two detailed lists of debts owed to the banks. One list was to contain debts for which payments had been discontinued for less than six months. The other list was to contain debts for which payment had been deferred for a year or more. This would be a first step toward evaluating the true amount of bad debts.

Saudi banking circles estimate that they have loaned \$15 billion to private industry, while official agencies have loaned an additional \$43.8 billion to private industry. This means that the local market has \$58.8 billion in outstanding loans. If the Saudi banking industry is correct when it asserts that about 25 percent of the total debt of this market is uncollectable, then the problem facing the Saudi banking industry is closer to the impending crisis.

This year Saudi authorities have paid particular attention to the problems of the banking industry. The Ministry of Economy has enacted new statutes concerned with commercial bankruptcy, and as a result has made it easier to recover funds that have not been transfered to people who do not pay their debts. SAMA is currently trying to establish permanent rules for debt recovery actions. To this end, the role of the ministry's arbitration board, which has legal powers, has been strengthened. The agency has also advised the banks to insert a clause in all loan agreements they conclude with private companies, obligating both parties to turn to the arbitration board in the event that any dispute between them should arise.

Kuwait

The Kuwait economy is still trying to recover from the effects of the al-Manakh stock market crash. Last February the finance committee of Kuwait's National Assembly presented its views on a prior report by the minister of finance, Mr Jasim al-Khurafi. It said that despite the positive aspects of his report to the assembly, and despite his recommendations on changing the course of the Kuwaiti economy, the report failed to offer a precise and comprehensive program for getting out of the economic crisis brought about by the al-Manakh stock market crash.

The most significant legacy of al-Manakh is the volume of bad debts, estimated by the finance committee to amount to 1.3 billion Kuwaiti dinars of an original total amount of 4.65 billion dinars in bank loans. The finance committee said that spending public funds on what it called "the operation of disengagement" of loans by those who engaged in margin trading on the al-Manakh market, without taking into consideration their obligations to the banks, encouraged those who would profit from the Borrowers' Insurance Fund to avoid paying their debts to the banks. From another standpoint, the steep and continuous decline in the value of assets also made many debtors unable to pay off their bank loans. Some were unable to pay even the interest on these debts.

In Kuwait the debt problem resulted into two equally serious problems: the problem of the decline in the value of assets, and the problem of the increasingly heavy burden of interest owed on bank loans from the time the loans were made, up to the settlement date, and the amount due on debts scheduled after the settlement.

The finance and economic committee of the National Assembly proposed a settlement of the debt problem that takes these complications into account. It is based on the following points:

- 1. Payment of bad debts will be scheduled over a period of no more than 15 years, with payment of the first installment to begin 2 years after the date of settlement, as long as the period during which the settlement is negotiated does not exceed 6 months, and the special circumstances of the debtor are taken into account.
- 2. Bank interest will be abolished, retroactive to 23 September 1983.
- 3. A complaint office will be established in the central bank. The office will be headed by a judge, and will include a representative from the central bank and two representatives from the debtors and the debtees. It will review complaints about settlements.
- 4. The banks will be supported with deposits at low interest or interest free.

Although most of the blame for the difficulties of Kuwait's banking industry can be assigned to the events in the al-Manakh market, the industry itself

did not hesitate to place itself in dangerous situations. In particular, many Kuwaiti banks engaged in practices, the least that can be said about which is that they were beyond customary practices. In 1985 several Kuwaiti banks loaned 275.9 million dinars to their board members and directors, using their shares of stock as collateral. According to information on this matter disclosed by the minister of finance, Jasim al-Khurafi, in an official statement that he delivered in the National Assembly, the amount actually put up as collateral was no more than 81.3 million dinars.

A no less serious matter is that Kuwaiti banks made huge loans to a small number of borrowers. Kuwait's minister of finance disclosed that of an original 49,064 loans for a total amount of 4.438 billion dinars made by these banks up to 30 March 1985, 2.662 billion Kuwaiti dinars, or 59 percent of all Kuwaiti bank loans, were made to only 202 borrowers. This means that if this small pool of borrowers went bankrupt or could not continue their payments Kuwait's banks would not be in an enviable position.

However, if Kuwait's banks have their share of problems, they also have something else, the importance of which cannot be minimized: the monetary authorities have taken a firmer grip on the banking industry than they have in certain other Gulf states. In fact, this was due to the al-Manakh crash itself. This has allowed the Central Bank to warn the banks that they must get their houses in order before they can expect any assistance from the state. It has also finally allowed them to exercise effective supervision over them. But this does not mean that the Kuwaiti authorities will not rush to the aid of banks if they should find themselves in a difficult situation. For example, they intervened directly by rescuing the Abu Hasan Money Changing Company from bankruptcy.

United Arab Emirates

The UAW banking industry cannot be separated from the general economic and financial conditions in the region. However, its situation in 1985 was relatively better than that of the banking industries in the other Gulf countries because of the commitment of the UAE authorities to a policy of "nationalization" of failing banks in an effort to protect the UAE's banking reputation.

The legal and organizational background of the banking industry in the UAE is not different from that in the other countries, except for one thing, the importance of which can not be minimized, namely, that UAE courts recognize the principle of bank interest and its fundamental importance to banking activity. But even this positive phenomenon became a factor in a new struggle between the banks and their customers after the supreme court early in 1980 issued a ruling recognizing the legality of paying only simple interest on debit accounts, not compound interest. This prompted a local company to appeal to an Abu Dhabi court to have the interest which it had paid to two foreign banks in the UAE recomputed, and to have the "illegal" sums it had already paid returned by the two banks.

In the absence of official directives by the Central Bank on the proper way to compute interest, this conflict is threatening to become another obstacle

to banking in the UAE. This became particularly true when work on the unified commercial law, which was supposed to go into effect on 1 January 1986, was postponed, causing fears in the banking industry that the lack of a legal framework to protect the banks' interests and regulate their relations with the business world would continue indefinitely.

It should be noted that the number of banking operations in the UAE shrank from 24 to 19 in 1985.

The problem of bad debts is no better in the UAW than in Saudi Arabia or Kuwait, although in the UAE it has acquired a particular dimension in view of the large number of banks and the small commercial market, and recently, the controversy over the method used to calculate interest as well. Since the chances for a quick end to the Gulf war are slim, the future does not seem promising for banks in the UAE. This outlook, which prevails at various official levels, has impelled the monetary authorities to call for some UAE banks to merge with larger units which enjoy better chances for survival. There are 19 domestic banks and several foreign banks in the UAE, compared with only 11 banks in Saudi Arabia.

Bahrain

The concerns of the banking industry in Bahrain seem less serious than in the other Gulf states, although the recession in the region is starting to alarm both bankers and officials, and is quickly forcing the banks to reduce their operations.

Some banks on the island, such as Chase Manhattan Bank and Citibank, have recently fired some of their employees and closed some branches. The Arab International Investment Bank preferred to alter its basic structure radically. Early this year it became a branch office of its Paris headquarters after having been registered in al-Mahamah as an ordinary bank with paid up capital of \$25 million.

The Baharaini banks have an advantage over other Gulf banks because of their better organizational background which was made necessary by Bahrain's ambitions to play a prominent banking role in the region. In fact, the Bahrain Monetary Agency—which is considered the island's central bank—maintains good relations with the country's banking community, and thereby is able to serve in a regulatory capacity.

From this vantage point, late last year the Bahrain Monetary Agency sent letters to five national banks suggesting that they merge with larger and stronger units more capable of confronting the difficult challenges currently facing the region. These banks were the Bahrain-Kuwait Investment Group, the Bahrain International Bank, the Bahrain-Middle East Bank, the Kuwait-Asia Bank and the United Gulf Bank, and most of them were suffering from the consequences of loans made to companies which traded on the al-Manakh market or which wre in the process of liquidation as a result of the collages of the al-Manakh market.

Although the merger negotiations have not borne any positive results as yet, Bahrain's banks have clearly demonstrated that they are able to change rapidly with changing economic circumstances. The monetary authorities in Bahrain make no secret of their belief that if the economy continues to stagnate the number of bank on the island will spontaneously shrink. But even after that happens some Bahraini bankers do not rule out the possibility that some big corporations—"al-hawamir" as they are called locally—may go bankrupt. This will "purify" the market and establish the groundwork for a new financial market which would include the countries of the Gulf Cooperation Council, and establish clear financial regulations for Gulf companies and organizations.

The fact is that the difficulties facing the Gulf banks are not transitory. They are intimately connected with numerous foreign and domestic factors which are causing problems for banking industries with established histories. So how much more serious the difficulties must be in an industry which is still considered to be in its infancy.

The main factor, of course, is the steep decline in oil revenues of countries where government spending constitutes the chief source of financing for development projects, and where government spending provides the most important impetus for economic activity. Despite the incentives which are offered by the Gulf states—Saudi Arabia in particular—to their private industries, Gulf private industry is still a new experiment with limited potential.

The other factor, whose repercussions are still being felt by the Gulf banks, is the huge volume of uncollectable debts left behind in the wake of the al-Manakh market crash. Last February Kuwait's minister of finance and economy revealed that the al-Manakh market cost the government of Kuwait 528 million Kuwaiti dinars, or \$1.82 billion, in losses as a result of its intervention to support the Kuwaiti stock market after the collapse of al-Manakh. If you also consider that the continued war in the Gulf is reducing transit and commercial traffic in the region, that real estate, which constitutes a major portion of the borrowers' collateral, is dropping in value, and that Gulf capital is being invested abroad in the Eurodollar markets, the Gulf banks' situation has become a true reflection of the difficulties the region is currently experiencing.

Without underestimating the importance of these factors on the international banking industry throughout the world, the Gulf banks must bear part of the responsibility for the situation that has befallen them in the mid-1980's. In their race to profit from the oil boom in the region they expanded at an unnaturally rapid pace, bypassing important stages in their operational and technological development, and did not pay much attention to the legal framework of their activities in the Gulf markets. In this "banking boom" which burdened countries like the UAE and Bahrain with more banks and branches than their financial markets could sustain or were required by their limited populations, they were forces to import skilled personnel from Pakistan, India and Great Britain, whose skills in their own countries, however, were usually less than satisfactory. As a result, they failed to create a native cadre capable of filling key positions in this growing sector who would be trained to understand the priorities of local investment much more than the available workforce did.

This, however, does not absolve the Gulf monetary authorities of responsibility. They have belatedly come to realize that the banking industry needs regulations and legislation suited to the developments in local and international financial activity. This includes developing the important market for financial paper, introducing a modern system of future trading through required regulations and supervision, establishing trade laws to govern the banks' relations with companies and organizations, and providing banking legislation which would ensure swift implementation of the statutes enacted pertaining to debtors who fail to pay their debts.

Despite this gloomy picture, Gulf banks are still on firm ground, and thus can confront the demands of this difficult phase. Although Gulf bank profits decline sharply in 1985, it was not a year of terrible losses.

The financial circumstances of the Gulf banks are still sound. In Saudi Arabia the monetary authority, SAMA, has been able to maintain its liquid foreing deposits at around \$70 billion. In Bahrain the ratio of capital to total deposits in the Arab offshore banks amounts to about 11 percent. In the top 10 banks in the UAE this ratio amounts to 10.6 percent. This is a good ratio compared with the rest of the world, in which it ranges from 3 to 7 percent. In the OPEC countries succeed in maintaining the price of oil above \$10 a barrel, the Gulf banks will find themselves in a better position to weather the temporary recession in their countries' economies. However, this will require rapid and carefully throught out adjustments to the new situation based on the following:

- 1. Uninterrupted expansion toward world money markets.
- 2. Developing services which are needed by small and medium sized private companies which lack sources of capital financing.
- 3. Gradual transformation toward investment and offering financial and investment services like other world banks.
- 4. The creation of secondary financial markets and other means for making the accumulated debts of the banking industry liquid.
- 5. Last but not least, reversing the industry's uncontrolled growth in markets with limited opportunities for investment, even if that means closing some branches or merging with larger banking units.

In short, the realities of banking in the Gulf now require comprehensive leadership to ensure that the Gulf banking industry can evolve from the stage of explosive growth which accompanied the oil boom, to the stage of slow growth, which depends on realistic vision and careful planning to get through the lean years as quickly as possible, and at the least possible cost.

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PREMIER ADDRESSES CONSTITUENT ASSEMBLY ON POLICIES, PROBLEMS

Khartoum AL-SAHAFAH in Arabic 8, 9, 10, 13, 14 Jul 86, AL-AYYAM in Arabic 11, 13 Jul 86

[Article: "The Government's Address to the Constituent Assembly: In the Name of Our People, We Commit Ourselves Anew to the Charter of the Uprising, the Charter of the Defense of Democracy and the Economic Charter"]

[AL-SAHAFAH 8 Jul 86 p 3]

[Text] In the name of God, the most merciful and compassionate:

My brother the chairman:

My colleagues the people's deputies:

Peace and the mercy and blessings of almighty God be upon you.

Over the past century of time, the eyes of the world were drawn to the Sudan at least three times in the course of unique events, and the Sudan was a banner on the stage of international events as a result of them. The first of those times was when our people by their armed waves of humanity challenged the British empire at the peak of its glory, defeated it and dispersed its forces in 1885. The second of them was when our isolated people confronted military dominance that had been sitting on their chest for 6 years and defeated it in October 1964. The third of them was in April 1985, the day our people rose up and brought the tyrant down politically by means of a political boycott and general strike and the Sudanese armed forces ventured in response to the people's cry to throw the May regime into the dust-bin of history.

These events, unique by every standard, have been permeated by such achievements as the graduates' uprising in 1936, the uprising which brought the Sudanese political movement to life, and the unanimity over national unity in 1948, unanimity which was realized on the eve of independence, when the Sudanese rose above the plans for bilateral rule and chose freedom and national sovereignty for their country.

This series of unique acts and achievements is what has implanted a combative heritage of holy war in our people which has revived the forefathers'

holy war in their conscience and made them patient, forbearing and perseverant in the face of tyranny and dictatorship, with the spears of tyrants broken in their chests, although they had been made large by the medium of injustice and foreign support.

The current administration, which our people chose after years of ignominy and suffering, is an embodiment of our people's struggle over generations, and it is today waging a unique struggle, as it stands bearing the banner of freedom in a world which is destitute of it. It is a spearhead on the road to a more just, better life which unfortunate peoples hope for. This administration is the object of the hope of the people, who have followed its course in emerging from the morass of neglect, defamation and ignominy.

It is a good prelude that our people should have played their pioneering role in regard to liberating peoples from the regimes of tyrants at a time when early signs have come from South America declaring the attenuation of military and civilian dictatorships in their homelands and stressing that political science has come to consider military and civilian dictatorship a domestic occupation of peoples, destruction of their resources and debasement of their dignity.

My brother the chairman:

The time has come for the knights of periods of aimlessness to go on their way and for the people who found it pleasurable to embrace these knights to open their eyes to the new facts of history lest their present be wasted, as their yesterdays were wasted in the fires of incense. Indeed, an abyss has brought waste.

These people were surprised, as many people who did not know the Sudan were surprised, to find that the tyrant whom we had imagined immortal was a paper tiger. Since that surprise, our people have astounded them with five other events by which they have progressed on their way from the era of debasement to the era of honor.

People imagined that the transitional period would collapse in the face of party and factional forms of competitition and civilian-military struggles, and the transitional period ended with a conciliation whose fame has spread far and wide.

People imagined that the holding of fair elections, with all the negative features surrounding the country, was out of the question and elections were held which were without parallel in the circumstances of backwardness and material hardship the poor world is going through.

People imagined that the military men would not hand over power, and some of them wished as much. The soldiers of the Sudan took them by surprise, with a style which preserved the loyalty of citizenship and the honor of the profession.

Then the election results occurred, in a manner which in the way they came out disappointed every party's imaginings to varying degrees. Then people

had the illusion that it would be impossible to form a cohesive national government and they were taken by surprise at the formation of a government in whose determination and strong will party differences dissolved and in whose support the backing of the people's unions expanded.

Perhaps the most recent surprise in this regard has been that if the members of the opposition had thought for a while they would have found that there was no combination in their formations which would offer a real alternative to the current administration. This means that in the objective sense the opposition's ideological premises are leading to the consolidation of the current administration.

My brother the chairman:

As we stand blessing our people for these astounding achievements, we invoke God's mercy, stimulate the resolve of our spirits and seek inspiration from our people's determination, so that, with the same speed and simplicity, we may bring about three further suprises, namely:

First, that we may defuse the landmines of religious strife which the tyrant planted, by which he set Islam in opposition to the times and to the movement of progress through consensus and tolerance among religions and turned it into an obstacle to sound international relations. We will defuse these landmines and realize the Moslem majority's desire to make Islam the arbiter in their privte and public lives in conciliation with the civil, human and religious rights of others, in harmony with the age, with its scientific considerations and its rising social movement, and in harmony with international relations founded on a just peace and amicable cooperation among peoples.

Second, that we may defuse the racial strife supported from abroad which is striving earnestly to polarize our people in a strange Arab-black confrontation against us and against our African Arabhood, or our Arab Africanhood, which has been, still is and will continue to be the connecting bridge between Africa north of the Sahara and sub-Saharan Africa.

Third, as many people were surprised by the simplicity of our political shift from defeat to freedom, we hope that a quantum leap will occur from a paralyzed economy begging at all the tables of the world to a vital economy growing and meeting the needs of its people.

We are faced with a challenge to move the Sudan from internal paralysis and degrading subordination to the unleashing of inner powers in a society of dignity, sufficiency and justice, a society which will deal with the outer world on a basis of freedom in national decisionmaking and equality in dealings with others toward the goal of common interests and just peace.

This challenge, my deputy colleagues, is our fate, as we possess a concern and determination which were not broken the day we faced this challenge. Our trust in God, in our people and in ourselves will sustain us in the course of a long, difficult road in which there is blood, in which there is sweat, in which there are tears and in which at the end of the dark tunnel there

will be smiles on the face of Muhyi-al-Din, Muhammad Ahmad, Malwal, Tawir, Kuku, Awhaj, Fatimah, Zaynab, Sati and all our good people.

My brother the chairman:

From this point on I will talk to you about the policies and programs which this administration will commit itself to. The declaration will be broken down into seven chapters, which are:

The first chapter, a review of the state of the Sudan the day we took charge of its affairs.

The second, a statement concerning our commitment to the remaining charters of the Sudan's progress.

The third, a statement concerning the important general policies which we will commit ourselves to.

The fourth, a statement concerning the ministries' specific programs.

The fifth, a statement concerning the immediate measures needed to contribute to alleviating our people's suffering.

The sixth, the statement of our foreign policy.

The seventh, our platform and conclusion.

The First Chapter: A Review of the State of the Sudan

The state of the Sudan which we inherited from the dictator, the transitional government between whom and ourselves was only a short way-station, was a situation which would have caused us panic had we seen it in a dream.

The rural and wilderness areas were in total collapse, their production and services had deteriorated and their inhabitants were moving away in panic for themselves.

The cities were packed with numbers of people who exceeded their capacity and flowed into makeshift housing.

The cities and rural areas were congested with groups of refugees, with nothing to control their numbers or regulate their existence, and social services in the form of health, education and housing were in a state of total collapse.

The people of the Sudan, who had not experienced religious quarrels in their modern history, were driven to the brink of religious strife, to the point where some people trafficking in religious tension declared holy war against Moslems who differed in opinion from them.

The people of the Sudan, whose races had become mixed and whose languages had become Arabized, were driven toward a racial strife which portended disaster, destruction and calamity.

Forms of tribal chauvinism, which had died in the modern Sudan, reared their heads again.

In the economic area, a grinding, escalating inflation brought the Sudan to this point, the diminution of agricultural and industrial output and the pumping of paper money at rates exceeding 50 percent a year.

The growth of national income now is negative, and this, with a population increase at a rate of 2.8 percent a year and the increase in the flow of refugees, means that we are sharing the little we acquire with greater and greater numbers of people and the individual's share is becoming smaller and smaller.

The May regime, having destroyed the Sudan, enabled its proteges to plunder the people's money. It totally despaired of achieving any intrinsic economic self-sacrifice, came to rely totally on grants and gifts, and made this platform an inseparable part of the Sudan's financial administration. The last budget of the tyrant's regime, which it fraudulently called the budget of no god but God, was submitted by the former minister of finance containing a 40 percent domestic and foreign deficit and did not propose means for paying off that deficit. Rather, it contented itself with the hopes that foreign aid would flow.

The May regime left the nation begging and in debt to the sum of \$13 bill-ion. This means that every Sudanese, man, woman and child, has an individual indebtedness equal to 2,524 Sudanese pounds, an indebtedness he owes which is increasing every year by 252 pounds.

As for the state of security, one may speak without embarrassment: the tyrant engaged in personal contempt of the police. Therefore, its unity of leadership was fragmented, its arms procurement and rights of living were ignored and its burdens were increased by the release of 13,000 criminals while no precautions or arrangements of their circumstances were made for saving them from themselves. The dictator joked about the drop in the crime rates just because he had cut off the hands of more than 100 weak-spirited people, while refraining from punishing rich thieves.

The fact is that we, in his prison, saw with our own eyes how the circumstances of hunger, social injustice and lax security increased the numbers of crimes and criminals.

The tyrant, who realized some peace through the 1972 agreement, turned a-round, ruined what had been achieved and cast the country into a maelstrom of political violence which exceeded the old violence in magnitude and danger.

He left the country in this state and the armed forces faced a situation in some areas of the south where they fought with a total lack of everything except their soldiers' manliness.

The tyrant was not concerned with the nation's security (for which reason he neglected the armed forces) or with the security of the citizen. Therefore,

he neglected the police and the prisons. Indeed, his whole concern was focussed on the security of the regime; therefore, he devoted most of his attention to espionage and repression.

The destruction which afflicted the Sudan involved every installation, but it assumed its most repugnant form when it afflicted people's morals and destroyed many of the aspects of morality for which the people of the Sudan had been known. Moral capital was more important and valuable than all the money the May regime and the agencies it destroyed wasted.

In summary, my deputy colleagues, your Sudan has been destroyed, and lest we continue with this ludicrous, sorrowful recitation, let me cite to you as testimony some of the things neutral people have said regarding some aspects of Sudanese public life and what it has suffered:

During the transitional period, the public prosecutor summoned some scholars who had campaigned for legislation which the tyrant had labelled Islamic. The hordes of people who had been enamored of these steps and had campaigned without reading the stipulations of the provisions which had been labelled Islamic conducted a review with him then came to the Sudan and read the stipulations. What they read caused them panic and they unanimously made astonishing statements with regard to that in the office of the Sudanese public prosecutor on 11 February 1986. The first of them said, "The essence of Islam is social justice, and moral and collective virtues and chaste public opinion which enjoins what is good and forbids what is evil through wisdom and good exhortation protect it.

"Penal justice is the final weapon in the protection of Islamic society and the penalties are the final medicine."

He then talked about the penalties of Islam and described their numerous rules, which distinguish them from secular penalties. He then said, "Islam did not come first of all and initially to flay people, cut off their hands or cut off their feet; rather, it came to illuminate the way before them with God's light in his forms of worship, in belief and in his holy law, and it came to realize man's basic rights for man as a servant of almighty glorious God. The Islamic penalty is through the rules which I have mentioned, the wisdom which I have referred to and the mercy to which there is no beginning and no end." (Zakariya al-Birri)

The second one said, "The fact is that I have diligently reviewed what has been thrust upon me in the form of what are called Islamic laws, and here I in fact find many observations in their regard which have brought disrepute on Islam and have maligned the principles of its application, since they were a disaster."

He spoke at length about the harm the laws had done to Islam then said, "When I make this statement, which I imagine is destructive, and it must be destructive of these laws which have gone into effect as God's law, for they entail no law of God's," and concluded, "because of all this, now that I have given examples and arguments which end up destroying these laws, and they must be destroyed, in the name of God, in the name of his prophet and

in the name of his religion, let me offer the alternative." (Salah Abu Isma'il)

Furthermore, the transitional government appointed a technical committee to evaluate the course of the Public Service [Authority] and its chairman, consisting of administrative technicians who had not taken a political position contrary to the May regime. This committee submitted its report in January 1986. The report states through sequential argumentation how the May regime, by temporizing, politicization and corruption, destroyed the Sudanese civil service and how it is paralyzed and lacking in radical reform.

As for the government's status in accounting terms, which is one aspect of public administration, we asked the auditor general to inform us about his report on the state of the Sudan's accounts. In this meeting, the auditor general conveyed facts to us over which a newborn child's hair would turn gray. His advice was that if these facts were declared, they would harm the country because of their calamitous nature.

The data I have submitted has shown the chaos and manipulation of public funds in the May era. With respect to the auditor general's advice, these facts have given the Arabs and foreigners who deal with the Sudan sinus headaches for a long time. Indeed, they consider the country bankrupt. As for the Sudanese citizen, his sense and his distress tell him what the auditor general concluded on the basis of the figures of the Sudanese accounts. Foreigners, Arabs and citizens are not amazed by any ill word concerning the state the Sudan was in; no pain is engendered in a wound to a dead person. The Sudanese people's hopes for their country started to revive after the new administration was established and confidence in the Sudan began to be restored in the Arab and international contexts after the recent change. Knowledge of the facts in full shows the magnitude of the challenge which faces this administration. Determination is commensurate with the people who have the will.

My brother chairman, my colleague deputies and our people, from these depths let us rally all our forces and persevere with God's help to the summit of the heights.

Chapter Two: Commitments of the Progress of the Sudan

The Sudanese political process does not move forward in a vacuum and the constitutional agencies growing under the characteristics of specific national and social soil.

This administration is the legitimate offspring of the April revolution and it is the heir to our people's struggle at the point where they reached this stage of their political development. Therefore, we, in the name of our people, bind ourselves anew to a commitment which a broad base of the Sudanese movement shares with us, on the basis of the three following documents, and we commit ourselves to carrying out those sections in them which remain. These are:

- A. The charter of the uprising.
- B. The charter of the defense of democracy.

C. The economic charter which the national economic conference issued.

Out of our commitment to the spirit of these charters, we will present the national unity government charter on a broader scale, in order that the areas of agreement among the Sudanese political parties may expand, in hopes that we may reach agreement over a document which will reach a higher degree of national reconciliation.

Out of our commitment to this spirit, we devote the utmost attention to the constituent assembly, in its capacity as the people's chamber of deputies, and the ministers will commit themselves to reducing the distance between themselves and the deputies by having the deputies participate in all committees and boards above the level of the bureau. The constituent assembly committees will play an important part in discussing and reviewing various policies, and the ministers concerned with these committees will be closely connected to them in order to benefit from their views. The constituent assembly will be the government's parliamentary vehicle and it is the legitimate and constitutional arbiter of the nation of the Sudan.

In order for the assembly to operate in the milieu of a receptive public opinion, we will not allow a gap to arise outside the assembly between the assembly and currents of Sudanese public opinion. We will be concerned with the political presence through:

Thorough consultation with the heads of the political parties.

The spread of the consultation to the legitimate union movement in a manner which will stimulate it in the direction of building the nation and enable us to reach agreement over a social contract which will bring about social security and will direct people's powers toward construction in spite of the difference in actual conditions.

Lest the demarcation between freedom and chaos disappear, we will present bases for the rules of conduct and procedures for guiding party, union and press activity in order to protect freedom from excesses in its own name.

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[Text] Chapter Three: Important General Policies

These may be summarized by the following policies:

- 1. Liquidation of the effects of May:
- A. The May regime bought political loyalty by enticements which encompassed ministry portfolios, major government positions, credit facilities, the deeding of real property, the grant of specific rights to its aides, even after departure from service, and other privileges. These gains were realized by people who were not entitled to them and restoring them to the people is a national duty. The government has started to set out a law which will put an end to the legal protection these benefits have acquired and enable the government to eliminate these effects.

- B. Some May figures committed specific crimes against many citizens and against the nation. These criminals will be brought to account by law, to bring about retribution by the people.
- C. May innovated its own symbols, such as the flag, the motto of the republic and specific names which were given to agencies and buildings. These will all be removed so that things will be given names which are related to the people and their sacrifices.
- D. The elimination of May labels in every area of life. The statues which May erected, the medals and anthems, and all such mementoes must be eliminated.

2. Legislative reform:

A. The September laws which have disfigured Islam are laws which are to be rejected, whether they be ones bearing on penalties, on tithes or on civil transactions.

We commit ourselves to submitting true Islamic laws which will eliminate these laws. In their place we will establish provisions that are proper in accordance with the standards of divine law and justice. The public prosecutor has been assigned to submit new laws at the earliest possible opportunity.

- B. The May laws on regional government which eliminated regional government, made it an instrument of individual rule and produced a form of centralism which was worse than that which had existed. In their place, we will submit regional government laws which we will establish on a basis of democracy and equality. Until the elections are held, persons who will be carefully chosen after consultation with all politically influential people from the government parties in the regions concerned will assume the powers of governors of regions, and agencies which are formed from the political forces representing the parties of the government will cooperate with these governors.
- C. The local people's government laws which crushed the concept of local government and made it an instrument of the Socialist Union and a channel for the corrupt distribution of supplies. We will submit a local government law on whose basis elections will take place. Until this law is issued, people's agencies will assume the powers of the councils. These agencies will be formed from the political forces making up the current government.

3. Economic reform:

We can consider the May government, by every standard, an instrument for the destruction of the domestic economy. The following figures constitute a fundamental document for its condemnation:

A. The government's revenues are seasonal. Therefore, the law on the Bank of the Sudan has since 1959 enabled the government to borrow a sum equal to 10 percent of estimated revenues from the banking system for the period of half a year, with payment of the debt to take place in the middle of that year. Article 57 of the law on the Bank of the Sudan stipulates this procedure!

The May regime proceeded constantly to waive this stipulation, then abrogated it, bringing the government's indebtedness to the Bank of the Sudan to 7.7 billion pounds at present. If we add the debts of general organizations to that, the sum becomes 8.9 billion pounds, whereas the debt was supposed not to exceed 300 million pounds, for a period of half a year.

- B. The Sudan did not have foreign indebtedness before the May [regime]; it is now in debt to the sum of \$13.3 billion.
- C. The growth of the Sudan's national product in the last 3 years has become negative, at a rate equal to 2.5 percent a year.
- D. In 10 years, from 1975 to 1985, the growth of the government's revenues was at a level of 14.8 percent a year, whereas the growth of its expenditures was at a rate of 35 percent a year. This led to a deficit in the internal budget and then to withdrawals from deposits in the Bank of the Sudan.
- E. Likewise, the average balance of payments deficit is now \$700 million, which is convered by further borrowing at interest from abroad.
- F. The distortion which has afflicted the sectors of agricultural and industrial production and reduced their rate of contribution to national product in favor of an increase in the share of such parasitic activities as speculation in real estate and hard currency and short term commerce, which have brought classes of parasitic enrichment to prominence.

This is the loathesome situation we have inherited. Our approach to the cure is to create confidence in our seriousness, to extirpate the roots of corruption, to be determined to stop luxury spending, to show resolution in dealing with public funds and to create a strong instrument for economic management which will adopt the following urgent measures:

Emphasize the repair and reconstruction of existing productive projects, the operation of idle capacity, the provision of job c portunities, the raising of productive competence and the effort to break up bottlenecks in the transportation, energy and water sectors.

Intensify efforts to increase production and provide producers with incentives by every means through which producers will be able to receive the real value or something close to it for the cost of their products.

Suspend the importation of luxuries in toto and guide imports.

Increase public revenues, diversify their sources and apportion burdens among the citizens in a just manner, and in this regard pursue basic tax reform.

Tighten up oversight on public funds, prohibit disbursements outside the budget and examine the budgets so that they will be actual and realistic.

Pursue basic reform of the banking system, close the doors to erroneous practices, enable the Bank of the Sudan to supervise banking activity,

specify practices permitted by law and orient and allocate banking activity to the service of productive objectives, far removed from the financing of parasitic activity.

Fail to resort to deficit financing except in utmost need and suspend the withdrawal from deposits at once.

Reduce public spending and link wages to production in the context of a realistic, just wage policy.

Demand a freeze on foreign debt owed by the Sudan until these debts are reviewed and the domestic economy overcomes its current difficulties and negotiate with creditors to reach agreement over such a freeze.

Create an accounting format to freeze the government's domestic debts with the Bank of the Sudan in order to put a limit to the distortions they cause in the functioning of the domestic economy.

Devote special attention at this stage to maintenance in all facilities.

Review investment laws, guided by the recommendations of a special investment conference to which we will invite all persons concerned.

The government will work to create productive opportunities for graduates in all areas of specialization after the matter has been subjected to urgent study. We will work to fight unemployment since that is a waste of the more important factor of production, which is man.

We will adopt these measures to the end of increasing production, reducing spending and guiding investment, but the basic step on which we will venture is to form a national economic planning council to set out a comprehensive economic salvation plan and determine stages of advancement toward strategic development goals.

4. The peaceful resolution of national problems and the national constitutional conference:

First: The tyrant who ruled the Sudan between 1969 and 1985 is directly responsible for the situation which arose in some areas of the country today, in the form of blows against security and shocks to citizens.

Second: The tyrant signed the Addis Ababa agreement in 1972 in an individual manner. In spite of the positive features it contains, the military part of it was concluded and carried out in an unsound way, leading to a rebellion which has become a nucleus for the current violence. In addition, the tyrant interfered directly in the powers of regional autonomy, which damaged execution.

Third: The tyrant ignored the economic aspect of the agreement, which provoked grievances.

Fourth: The tyrant interfered from above in stipulating the spirit of the agreement by assigning terms which ignored constitutional methods, with the

result that one group supported it and others violated it, using the text of the constitution as evidence.

Fifth: The tyrant pursued a foreign policy which was internationally biased and regionally based on axes, giving the hostile party a regional and international shelter and offering their movement a strategic dimension.

Sixth: The tyrant brought the country into an experiment which he termed Islamic and was blatantly unjust to Moslems, Christians and others, trustrated their role and sought to apply provisions in the name of Islam to non-Moslems in a manner which even the tyrant's closest aides among southerners found repugnant.

Seventh: The tyrant's policies led to further isolation for him and his regime in the political sense, domestically, and outside the country, internationally. This gave the movement of violence challenging him broader scope to win support and backing.

Therefore, political violence, which had been set off in some areas of the south, became an objective support for political resistance to the tyrant's regime. When the tyrant fell in 1985, it was expected that the combatants would set down their arms so that the Sudanese could come together to reach agreement over the reasons for the disputes and set out a new basis for building the modern Sudar. However, for reasons without foundation, the combatants continued their action against the transitional situation governing the Sudan with the support of all the parties to the Sudanese political movement. They said that the military council would not give up power and they said that the holding of elections was out of the question. Then the events occurred, refuting everything they had predicted in regard to them, and, rather than reviewing their incorrect information and analyses, they continued the violence against the democratic regime and the administration which the people of the Sudan had voted in through elections which were unparalleled in the countries of modern Africa -- elections in which the number of people registered came to 90 percent of the people who were basically qualified to register and in which the number of the people who voted came to 70 percent of the number of people registered. An administration came into being in the country supported by 80 percent of the assembly deputies, who were a majority supported by 90 percent of the people who had voted.

It is true that the elections were postponed for security reasons in 10 percent of the districts, but they were postponed for emergency reasons and that cannot be an argument against the legitimacy of the elections, except as a form of disdain.

The country enjoys freedom the likes of which do not exist in any country of similar circumstances; its foreign freedom is now complete, and the proof of that is that the Sudan deals with affection and friendship with the two parties to the international struggle and with the parties to the regional struggle. Work is also underway to liberate the people of the Sudan from hunger, drought, disease, ignorance and indigence.

While the current violence is being carried out in the name of the downtrodden of the Sudan's people, the inhabitants of the most backward areas, these

people today are the ones who have hastened to resist the onslaughts of violence imported from abroad in many areas of the south and the areas of contact between the tribes of the south and the tribes of the north. They have rushed into a broad movement of counter-violence, which has now made the primary security problem one of containing this counteraction of theirs lest some innocent people fall victim to it.

This all is to be considered a grievous political failure on the part of all the slogans the combatants lying in ambush along the country's foreign borders are raising. Indeed, their political slogans have succumbed to other negative features since the movement has become a basic source for the process of racial strife, and the question of every intelligent person has become, what is this progressivism whose expression has become racial confrontations which are leading the country centuries of time into the past?

The movement of the current combatants knows that it cannot take over the Sudan by force if it divides it. All its efforts can achieve are three things, which are:

First, to annoy the democratic regime on behalf of the adventures of the authorities in control.

Second, to be an objective ally of the proponents of religious strife, so that they will nourish one another, though some of them loathe one another.

Third:

To increase the loss of life and property and shut down economic activities and services, which will aggravate the problem of backwardness.

In spite of the blunders, we have opened the door to a peaceful resolution in every way we could. We have allocated a ministry to be the executive instrument for the will for peace. Part of this ministry's jurisdiction is to address all Sudanese who have left the country for political reasons and taken up arms; it is addressing them to choose the peaceful, democratic solution. Out of intense concern to revitalize all the Sudanese, we address all those who have distanced themselves from the nation, taken up arms and are still bearing them in the face of legitimate democratic authority, and we say:

First, that the Ministry of Peace is an executive instrument for reaching agreement over the national constitutional conference; it is integrated with the national committee it is intended to form and is not in contradiction with it. The ministry will contact the parties concerned to form the national committee and reduce the executive obstacles in the way of the convening of the national constitutional conference.

Second, the Sudan today guarantees basic freedoms for all. The state of emergency that exists now is being applied not politically but in the security context and its elimination will be consonant with confidence in the security measures, so that it will be restricted to the areas which security circumstances and their requirements dictate.

Third, the Sudan today is continuing the defense of the security of the nation and the citizen by its own resources, although the war measures imposed on it are being sheltered on the terrain of a foreign country, and this, along with other factors, causes it to be objectively allied with the combatants.

Fourth, the tyrant's laws and statutes are on their way to the dust-bin of history and will be replaced by laws and statutes which respond to the desire of the people's electoral majority and guarantee the civil, religious and human rights of other citizens.

Fifth, we welcome all participants in the national constitutional conference and we will provide the necessary security guarantees for all without restriction as long as they believe in the democratic course and the solution of problems in the framework of a united country.

This is our position regarding the democratic political solution, and we will spare no effort in working to realize it and bringing everyone together on its behalf. This is a basic channel through which we are moving earnestly, with conscious thought and perseverantly.

There are three other channels in which we are moving earnestly, and in which we will continue to move:

First, the security channel. Resisting combatants who bring death upon secure societies is a basic obligation of the Sudanese government. Therefore, in spite of our concern for a peaceful political solution, we will support our armed forces and increase their preparedness in every way so that they will always be prepared to deter and defeat anyone who commits aggression against the lives, property and dignity of the citizens and anyone who is driven by political ambition to try to control others by force. Imported violence has now given birth to counterviolence, and we are most anxious to purge Sudanese public life of all violence, so that we can deal with matters in the best way.

Second, the movement of violence has brought about an extreme shock to the stability of many individuals and tribes in the south of the Sudan, especially once all its justifications had disappeared after the establishment of a democratic regime guaranteeing freedom to everyone, and some protection for some families has been jeopardized by these acts and some river and overland means of transport and railways have been shut down. We have made a list of all this in order to get these services running once again. In addition, some social, health and educational services have been suspended. We have also made a list of this in order to revitalize these services. Some economic activities have been have been suspended because of the blows against security; we have also made a list of these at a conference of rulers of the southern administrative regions, which we held to revitalize those. Numbers of men and women of the south have migrated because of the security circumstances in some cities, including the national capital, and a number of students in southern schools have moved to the north. We will provide means of assistance for all of them until the circumstances which have constricted their lives are eliminated.

Third, the diplomatic channel, through which we act to contain the strategic effects which have been thrust upon our country's problems. The Sudan, in the context of nonalignment, has been able to win the two parties to the international equation over to the task of its construction and stability, and the Sudan, which is seeking neighborly relations with all its neighbors, can get rid of the negative features of the past and strive to make its relations with its neighbors a shield for security and development.

Five. The constitutional tasks:

- A. The national constitutional conference will in essence be a forum for the reaching of an agreement among Sudanese political forces and this agreement will be submitted in its entirety to the constitutional committee to be selected by the constituent assembly, for insertion in the draft constitution the assembly will discuss and summarize. We will seek to have the supplementary elections take place in the regions where the elections have been postponed before the assembly discusses the draft of the country's permanent constitution.
- B. Until the country's permanent constitution is set forth, the country will be governed by the present transitional constitution, after that has undergone numerous amendments to eliminate the loopholes, errors and distortions which have arisen in it.

We have enumerated these amendments and will submit the amendments to the assembly for discussion and approval so that the temporary constitution will be a more just and better instrument.

6. Administrative reform:

General principles:

A. The civil services in the Sudan lie within four contexts:

A central context, independent organizations, regional government and local government. By means of the law, we will determine the areas of these contexts, will secure them their legal identities and will achieve reconciliation in their conduct.

- B. Higher positions in public service were a means for patronage and political mollification. Therefore, many higher positions for which there was no need were created in civilian and military public service. We will eliminate these illusory positions and retain those which are actually required by the job.
- C. The improper expansion in public service, which was not commensurate with actual work requirements, led to a surplus of labor in most departments and a deficit in some. Therefore, we will determine the labor surplus in each facility and will train the surplus labor for employment inside or outside public service. The important thing is that it not be dispossessed and that it be found alternative employment.
- D. We will be anxious about the impartiality of public service and will establish organizations and provisions to protect its impartiality.

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- [Text] E. The Public Service Authority and the appeal committee are important institutions. We will review their laws and organization to support them in the performance of their functions and eliminate the May notions they contain.
- F. The causes of much of the corruption which has crept into public service can be attributed to living pressures. Therefore, we will present the notion of the public contract to all unions of employees in the public service whereby the contract will be based on four pillars: the type of work, productivity, circumstances of life and opportunities provided.

Urgent measures:

- A. Public service is now under the control of leaders and persons in sensitive positions and elements of corruption and patronage entered into the promotion and appointment of some of them. These people must be purged lest their continued presence bring harm upon public service.
- B. We will commit ourselves to the review of the organizational structures of public service in the central and regional contexts and of their manpower in accordance with the areas of specialization of the units and job requirements. In this regard, we will suspend the partial review of the organizational structures until the comprehensive review is made. We will also organize the structures of the central ministries by means of laws specifying their areas of specialization and controlling their activities.
- C. Many independent organizations have succumbed to practices which have turned them into an instrument of personal ambitions and speculation in public funds. We will protect the public organizations which are acting to achieve their objectives, will eliminate unsuccessful organizations and will establish new public organizations with strong regulations whenever the situation calls for that.
- D. We will support the training units in public service branches and will supply them with what is required to provide accreditation for their trainees. We will be concerned to establish training units in facilities where they have not been established and will be concerned with coordination among training units in the context of a national training plan providing job requirements.
- E. We will form a higher national council for human rescurces and administrative development which will coordinate planning efforts for manpower and the National Public Service Authority, with the goal of achieving a human resource response to the overall development plan.
- F. The government's accounts in their present form are a mirror of the deterioration of public service. We will review the account ledgers and audit rules to fill the gaps in them and will organize an extensive effort to close up and audit the accounts of the government units and set out sound accounting bases accurately controlling the nation's accounts. We hope that

the assembly will discuss the auditor general's report so that it will adopt sound decisions in its regard, and in the light of this we will organize a mobilization campaign for account and audit reform.

G. All aspects of the reform of public performance require correct statistics. Therefore, we will devote attention to statistics which will enable them to perform their function in the best possible condition.

7. The natural environment:

The Sudan is now losing valuable portions of its natural resources as a result of drought, erosion and desert encroachment.

The failure to review the rules regarding mechanized agriculture and the allocation of more extensive areas than necessary to farming, which people with concessions have exploited for gathering firewood, have all resulted in stripping the Sudan's terrain of plant cover in a harmful manner. The elimination of ground cover helps the spread of desert and drought as well, because plant cover plays a role in the rain cycle. Drought and the spread of desert have many causes and it is necessary to set out a basic national plan in which the units currently concerned with this subject, the University of Khartoum, the National Research Council, the Aid commission and the Ministry of Agriculture and Natural Resources, will participate. This plan will be set forth and applied with intensive determination to the end of protecting the Sudan's natural resources, which ignorant policies have ruined.

Meteorology plays an important role in the study of the rainfall level and in warning of fluctuations in climate. We are committed to providing advanced meteorological systems and providing circumstances of stability for people engaged in meteorology.

The national plan to combat drought and the spread of desert must be in cooperation with the efforts of other countries. Therefore, we will exert our effort toward international cooperation in combating drought and the spread of desert.

8. Aid:

Our religious heritage provides strong guidance on the subject of aid. The tithe is only the best instrument of aid; however, it has been used in the Sudan as a means of collecting taxes and has been connected to taxes in the most loathesome form of distortion of the intentions of Islamic law.

In 1984 our country succumbed to the worst season the history of the Sudan has witnessed. It was the concern of officials to conceal the facts, bearing in mind that the Meteorology Department had warned of the anomaly and the bad nature of the anticipated season since July 1984. However, there truly is no life for the person who calls. The officials sustained their excesses and indeed continued to export corn up to October 1984, and greedy people sustained their trade until the odor of drought clogged everyone's nose the day the inhabitants of Darfur uttered the first talk about the drought. The rulers sought to divert attention from the drought by fraud and deception,

until the facts of the drought drowned out their voices. They then committed a crime and opened the country to every purveyor of aid, whatever his motives might have been. We thank our brothers and friends and the international family, especially the Western European and American countries, for the generous aid they offered, which covered the deficit in nutrition and saved the lives of 4 million citizens. Abundant thanks to them from us all.

There are negative features which occurred in conjunction with the process of giving aid, and there are new priorities to which commitment must be made. The observed negative features are:

- A. Some aid-giving activities have led to economic distortions, such as the great increase in transportation costs which has occurred in the country because of the transaction an aid agency carried out; transportation costs tripled. In addition, some effects of the aid in some areas caused a diminution in productive activity because of the deterioration of prices.
- B. Some aid activities conflicted with one another and overlapped.
- C. Some aid organizations were active in the country without fulfilling legal procedures.
- D. Many aid agencies acted outside the supervision of government agencies in the central and regional contexts.
- E. Some aid agencies exploited their legitimate humane activity in other activities which do not lie within the framework of aid-giving.

Therefore, the government has begun the following activity:

First, strengthening the aid commission in the central and regional contexts so that it will be enabled to exercise its supervision.

Second, concentrating aid activity on rural development, combatting drought and the spread of desert, assisting with the settlement of migrants in suitable areas and contributing to self-sufficiency in food.

Third, withdrawing permits from organizations active in the aid area and offering registration applications and permits again so that we will be enabled to review their status. If it is sound, they will be re-registered with ease, otherwise not.

Fourth, increasing national participation by directing some tithe revenues to aid after a new organization of the tithe and a new law separating the tithe in a sound manner from the collection of money and taxes and assigning agencies for that in the areas of collection and disbursement in commitment to the rules of Islamic law.

Fifth, having the aid commission play a role alongside other authorities in protecting the Sudanese natural environment and combating harmful practices which have led to the denuding of Sudanese soil and destruction of the legacies of coming generations.

9. Scientific research:

The scientific approach to the treatment of problems is an integral whole and is also one of the most prominent features of the modern era. Linking science to materialism is an ideological association for which no scientific justification exists. Indeed, it is more proper to link science with faith. The scientific approach does not deviate from interpretation, causality and the connection between origins and results. These are all clear in the revelation and the adoption of causes by the methods of Islamic law. [The prophet], on whom be God's prayers and peace, said, when the owner of the camel asked him, "Hobble her and put your trust in God."

The National Research Council is a means for disseminating scientific awareness and using the methods of science to solve problems. We have started to review the National Research Council's achievements in order to confirm what it has accomplished in using the domestic and foreign resources which have been made available to it. In accordance with that, we will give it the necessary support and will take a strong stand alongside its objectives. Our guidance will be that it commit itself to the following priorities:

- A. Disseminating scientific awareness and defending the scientific platform as a basis for dealing with actual conditions and the times.
- B. Concentrating on the study of the problems of the environment and Sudanese society and finding scientifically derived solutions for them.
- C. Devoting attention to the technology suited to our natural and social circumstances and recommending the optimum techniques for them.
- D. Coordinating the efforts of units of scientific activity existing in various areas for cooperation over their common objectives.

10. Sudanese women:

Sudanese women today are more than half the society and no road toward the society's resurgence will exist unless they are prompted to perform their political, economic and social role in full alongside their private role as mothers and housewives, in integration of their roles which revelation has established and human thought has settled upon after lengthy consideration and experience.

Sudanese women are involved in all the policies and programs we offer, but they have special circumstances which stand in their way and it is necessary to adopt special programs which will enable them to exercise their theoretical gains and remedy their feminine problems. Lest these reforms be carried out at a remove from the thinking of Sudanese women, we call for the establishment of a national women's authority and the government will seek to carry out recommendations issued, within the limits of the country's resources.

11. Sudanese youth:

Young people now constitute more than half the present and are all of the future. Many of them have been dispossessed through rural neglect, urban

deterioration, flagrant disguised unemployment and educational deficiency, which have caused them to be oppressed and caused their powers to atrophy. We will give great attention to young people, will stimulate all the youth houses and will restrict young people to the approach of expanding youth training opportunities and qualifying them for productive work. Also, in the area of attention to religious guidance, we will point the powers of religious and moral guidance in their direction. With respect to attention to sports, we will be concerned with unleashing the athletic powers of young people.

Art is an inseparable part of the balanced life of man, and beauty is desired in the order of existence, as is perfection. Art with respect to all human activities can be exploited in behalf of corruption, but in the context of equal systems it can be guided to play its equal role. In the context of attention to art, we will guide some young people's powers in the direction of artistic innovation.

Chapter Four: The Ministries' Programs

The address, in this chapter, is broken down into three sections:

The economic section.

The section of services -- investment in man.

The security section.

The first section: the economic sector:

First, agriculture:

Agriculture is the basic economic activity in the Sudan. In the era of the shadow of May, it experienced a neglect that diminished its production, which is the key to the road to development.

Our agricultural goals now are:

Realizing self-sufficiency in food.

Attaining some surplus for export.

Increasing farmers' income.

Protecting and developing natural resources.

Realizing development balance among regions.

In the light of these goals, we will adopt the following programs:

A. In the area of soil and natural resource maintenance:

Helping to combat drought and the spread of desert and protecting the soil from erosion.

Seeking to introduce and develop crops, fodder and livestock through the agricultural cycle of irrigated and rainwater projects.

Developing laws bearing on forests and natural resources in the determination to preserve them.

Compensating for forest loss and expanding forest development through the Ministry of Forests.

B. The irrigated sector:

Seeking to increase farm productivity while reducing the costs of production.

Radically reviewing public agricultural organizations.

Endorsing new production relations supporting individual accounts in the irrigated sector, reducing the negative features in it and resolving the dispute concerning title to agrarian reform projects in advance in favor of the farmers' cooperatives. Following confirmation of their competence, food projects will be deeded to the public sector and small private sector holdings.

Strengthening the relationship between the national and regional agricultural planning agencies.

Pursuing a survey of various lands to determine their suitability for various production patterns.

Limiting horizontal expansion and concentrating on expanding production vertically through agricultural research.

Reviewing all country estates granted to certain investors who have not been able to exploit them with the desired competence and reviewing the bases for granting concessions in order to protect the interests of the inhabitants residing on these lands.

With respect to the concessions and permits that have been granted, we will review these in order to contest permits to people who received permits without payment. The previous regime's corruption spread and encompassed everything with the harm it caused.

D. In the area of agricultural investment:

Setting out guidance maps for the exploitation of agricultural lands throughout the country, in coordination with the rights of shepherds and the circumstances of drought and spread of desert.

Setting out just bases for the distribution of lands to individuals and cooperatives.

Defining the form of ownership which will bring about the best exploitation of the land.

E. Balanced regional development:

We will perform studies to enumerate each region's natural assets and review the status and type of existing investments in the desire to determine what agricultural development is possible.

F. The ministry will be concerned with the following:

Providing the guidance and orchard requirements in the capital and the regions and giving orchard cultivation great importance to the end of providing then exporting food.

Devoting attention to the preventive care of crops, seed reproduction and agricultural research through training.

In order to build up strategic food stores, the government, through the Agricultural Bank, has bought and stored corn worth about 260 million pounds.

It has noted the absence of fava bean seeds in the two regions of the west Sudan, and 6,000 tons of fava bean seeds have been provided and distributed among farmers in traditional areas free of charge.

Devoting attention to protecting production in the modern and traditional sectors from harmful practices and policies which have reduced farmers' income and reduced the volume of their output.

Second, industry:

The total investments in this area are estimated at more than \$5 billion, but a great portion of them have gone to waste, because some factories were established without study by political decrees from above and erected in areas where there were no raw materials and so forth. Corruption and the acquisition of commissions, not investment, were the object of many officials' interest.

Production in factories also declined for the following reasons: a lack of power, scarcity of raw materials and spare parts, mismanagement and an absence of operating financing. To provide evidence for the poor nature of the situation now, we might mention:

That the textile industry, in which private and public investment came to more than \$1 billion, is working at very low rates of capacity, estimated at 27 percent in the case of spinning and 28 percent in the case of weaving. The public sector's share of spinning is 2 percent and of weaving 11 percent. The Qadu textile plant, which cost \$46 million and 24 million Sudanese pounds, stands as testimony to the stupidity of emotional decisionmaking; it is one of a number of factories that stand as testimony to that.

Investment in the sugar industry is estimated at about \$1.21 billion.

Here the situation is better. The estimated plant capacity is 795,000 tons and the plants' output in 1984-85 was about 494,000 tons, that is, 62

percent of estimated capacity. However, because of the great magnitude of costs in this industry, they must operate at 80 percent capacity, and even this industry has not been devoid of elements of corruption and poor planning.

On the subject of the fertilizer [plant] in the al-Shajarah area, that was established without consideration for sound economic foundations. An example of that is that the cost of raw materials exceeds the price of imported fertilizer. Bearing in mind that this matter has cost millions of dollars, this sector has caused:

- A. A loss of capital invested in the industry.
- B. An increase in the import bill and an increase in the balance of payments deficit.
- C. A rise in the prices of locally processed products. One can reform this sector only by:
- A. Reviewing all existing industries, learning about their condition and what they are now experiencing, and reviewing all permits issued for industrial projects which have not been completed.
- B. Reconstructing these factories and providing industrial accessories, spare parts and technical expertise.
- C. Supporting specialized banks and guiding commercial expenditures for financing industrial production.
- D. Observing regional balance in the distribution of industry sites.
- E. Setting out a comprehensive plan for industrial reform.
- F. Welcoming integration and industrial coordination with friendly neighboring countries.

In addition, the public sector will be given responsibility for strategic industries and the private sector will play its role, which is appreciated, both within the context of specific planned goals.

Third, trade and supply:

In the area of trade and supply, we also find ourselves faced with a legacy burdened by failure and the pursuit of corruption. After studying the situation, we have set out the following points of emphasis for our commercial policy:

- A. Optimum exploitation of the hard currency that is available to provide important basic commodities and agricultural and industrial production accessories.
- B. Just distribution of the locally produced and imported commodities that are available, in the context of the capital and the regions, and the

struggle against erroneous practices which have led to the phenomenon of parasitic enrichment. Toward the attainment of these goals, we consider it fitting:

A. In the area of foreign trade, that international commercial relations be reviewed and the people evaluating and monitoring the performance of currently existing trade agreements and protocols be reviewed, in the effort to negotiate the conclusion of more of these on the basis of common interests.

We will concentrate on plant commodity agreements with friendly and fraternal countries and will strive to codify and develop border trade with neighboring countries.

- B. Devoting attention to advancing the course of our exports vertically by increasing exports to countries where we have markets [and] horizontally by creating new markets.
- C. Coordinating local requirements with exports so that exports will be within the limits of what is in excess of local needs. In this regard, providing incentives for production will help increase it; therefore, we will centralize the prices of important products such as fava beans, sesame, gum arabic, corn and so forth in order to guarantee a minimum for them.

In the area of imports, financing and domestic trade, the points of emphasis are to provide basic supply commodities and the agricultural and industrial accessories for that.

- A. We will constantly review import policies in order to limit luxury imports and will give priority to the following commodities: wheat, flour, petroleum products, pharmaceuticals, yeast, powdered milk, tea, coffee, rice, lentils, seeds, fertilizers, pesticides, cloth for sacks, raw materials for local industry, spare parts and chemicals for factories.
- B. In addition to these intrinsic efforts, we will make transactions and organize commodity aid in the context of international cooperation.

Our supply policy is founded on:

- A. In the short term, reviewing current supply commodity distribution channels. Consultation has actually taken place with the governor of the national capital and the governors of the regions assigned to guarantee that supply commodities get to the consumer at lawful prices, and we will continue to provide the regions' quotas of sugar and flour and confirm their proper distribution. We will also raise the level of supervision of important commodities such as sulphur, vegetable oils, sauce, battery cells, (damuriya), diblan-cloth, soap and cement.
- B. Over the long term, surveying and tabulating consumer requirements and linking them to the family budget, the population and the consumption pattern and setting out programs to control the bases of the distribution process. We hope that the supply investigation agency we have established will help oversee prices and close up smuggling outlets in coordination with other agencies.

We intend to do the following:

First, perform a comprehensive reform of the cooperative sector in a manner that will support it and its distribution and production role and qualify it for a great role in economic activity to alleviate living burdens on the broadest base of our people.

Second, we will review the performance of public commercial institutions functioning in domestic trade areas to confirm that they are doing their part unencumbered by negative features.

[AL-AYYAM 11 Jul 86 p 9]

[Excerpt] Fourth, energy and mining:

This area has also been afflicted by the corruption and pursuit of corruption of May that has afflicted it, and it will be subjected to the general reforms to which we will subject all general performance, in the form of self-reliance, review of the volume of labor, review of the laws and practices of independent bodies, the strengthening of financial and administrative oversight agencies and so forth.

However, we will, in particular:

Review agreements concluded with other parties in order to purge them of any damage that has befallen the country.

Devote attention to energy, mining and exploration drilling research, in the quest for diversification of sources of wealth and production.

In the context of the serious effort to solve the urgent problems the citizens are suffering from, the government must work seriously to resolve the tight supply of water in the urban and rural areas. To that end, the government has set out an urgent plan to deal with that and its details will be referred to in the statement by the competent minister.

The Oil Sector

We are performing a study to ascertain the optimum situation as regards agencies and agreements concerned with the drilling and exploration for Sudanese crude and the company will be summoned in order that the requisite reforms may be arrived at.

Petroleum product requirements for the current year, 1986-87, come to \$352 million. We will seek to find a permanent solution to the problem of petroleum products through:

Loans in kind until the Sudan's oil is produced, the barter of Sudanese products and financing through Sudanese expatriates' savings in countries which do not permit the remittance of such savings.

We assert that the Sudan's oil which is present now in the territory of the Sudan is sufficient for its domestic requirements and more and that security circumstances have suspended its exploitation.

As part of our review of our relations with the producing companies, we are preparing for exploitation of the oil present in areas not affected by the security circumstances. Here some production can be exploited as crude and some through small refineries.

The Electricity Sector

The main source of electricity for the national system is the al-Rusayris electricity station which contains approximately six generators with a capacity of 210 megawatts. Some expansion in thermal generation has taken place to cope with fluctuations and the seasonal hydroelectric generating deficit.

The Ministry of Power is carrying out 10 projects in the context of the national system in a number of regional areas at a cost of more than \$160 million. The World Bank, the Kuwaiti Monetary Fund, the European Investment Bank and the German Coordination Bank are participating in these.

The following projects are being studied in coordination with the Ministry of Irrigation:

Extension of the Sannar electric plant, at a cost of \$65 million.

Elevation of the al-Rusayris reservoir, at a cost of \$450 million.

An irrigation reservoir (al-Hammada B) at a cost of \$480 million.

Mining

A number of valuable minerals exist in the Sudan and we are comitted to expanding the study of the Sudan's mineral resources and mining those that actually exist for the sake of commerce and industry.

Fifth, works:

1. In the area of works:

We are committed to the following:

Putting building and construction projects in general application throughout the country and supervising their execution and maintenance, while specifying what is to be assigned to the public and private sectors.

Putting ordinary housing in general application.

Setting out technical standards for the construction industry and regulating manufacture and trade in it.

Planning realistically for the government's local and imported building material requirements.

Setting out specifications for equipment and machinery bearing on construction and reconstruction and benefitting by importing that which is present

in volume in the fraternal countries in which this equipment is present, after their infrastructures are completed.

Issuing a law for the registration and classification of contractors working in the construction and development field.

Allocating a banking unit to finance construction and building activities.

2. In the area of roads and bridges:

The building of roads under construction will continue. These are: Sanjah, al-Damazin, Rabk, al-Jabalayn, al-Rank, Kusti, Tandalati, al-Abyad, the Sanjah Bridge, south Kurdufan branch roads totalling 460 kilometers in length and al-Fashir-al-Junaynah.

There is a comprehensive plan for roads and bridges in the other areas of the country, some of which have been studied, such as the al-Jabali-'Atbarah road, and some of which are under study. The studies will be completed and priorities will be set out for their financing and construction. These include the al-Sanjakayah bridge which, due to its importances in the coming fall season, will be erected in temporary form in cooperation with the Corps of Engineers.

In addition, there is a project to erect and improve roads in the south over which agreement has been reached, and this will be carried out when security circumstances permit.

In the area of housing:

- 1. Changing and modernizing housing policy, since that is inadequate. Efforts will not be restricted to the distribution of land; rather, they transcend that, to the setting out of studies, execution of cooperative housing projects, encouragement of real estate companies, expansion of the scope of activity of the Real Estate Bank and encouragement of investment in real estate and prefabricated housing for various groups.
- 2. In the area of land, uprooting and deterring corruption wherever it existed in improper trading and land exploitation activities and reviewing laws connected to the land in order to keep abreast of the goals of justice and preserve public funds.

Sixth: irrigation and hydroelectric power:

The strategy stipulated in this area is:

To continue to reconstruct existing irrigation projects and provide irrigation services for them.

To raise the competence of irrigation infrastructures, increase the capacity of water sources and guide water use.

To provide irrigation in a manner which will realize regional balance in agricultural development, achieve self-sufficiency in food and concentrate production in irrigated projects.

To exploit available hydroelectric power sources by raising the al-Rusayris reservoir, constructing the Sutayt and Marwa reservoirs and using the power of the Nimuli waterfalls.

Strengthening relations between the countries of the Nile Basin and seeking to conclude a compact for Nile Basin countries which will bring about cooperation between them.

Exploiting the Sudan's share of Nile water in irrigated farming projects through horizontal and vertical expansion, projects to produce crops for agricultural processing and the production of hydroelectric power.

Continuing hydrological observation of the Nile river, its tributaries and the other rivers (Tukar and al-Qash), analyzing water data, studying matters related to the phenomena of drought and floods and publishing periodic information on the river's input.

Improving water observation systems and introducing computers into them.

Overseeing damage to the Nile caused by floods in the al-Qash and Barakah rivers.

Protecting bridges which are threatened by floods.

Setting out programs for filling and emptying the country's existing reservoirs to meet the river's natural intake requirements and the requirements of irrigation, hydroelectric power and river navigation, in order to avoid the damage waves of drought have caused to the Nile's sources.

Devoting attention to storage and improvement projects to increase the Nile's annual water intake.

Seventh: livestock resources:

The Sudan is one of the richest of Arab and African countries in livestock resources, but these have been neglected over the years and have now been subjected to extreme damage because of the drought and spread of desert.

Our goals in this regard are:

- 1. To develop livestock resources and natural resources and eliminate the effects of the drought and spread of desert on them.
- 2. Devote attention to animal health and first aid to animals through all means.
- 3. Raise levels of livestock production to cope with local demand and ex- ports.
- 4. Improve producers' standard of living and increase their revenues from the value of their products.

- 5. Improve pastures and plan for them so that there will be no overlap between them and agricultural expansion and provide water for livestock.
- 6. Set out an urgent program to compensate people who have lost their livestock resources as a result of drought.
- 7. Devote attention to the improvement of animal types and strains.
- 8. Introduce modern livestock agriculture into the activities of the domestic economy.

To this end, we will:

Make a census of natural resources, especially pastures, wild animals and water organisms, and will act to develop and improve them and enrich the pastures with preferred grasses by spraying from airplanes.

Organize and improve services offered to the livestock rearing sector in terms of water, treatment, guidance, artificial insemination and financing of marketing operations.

A plan has been set out for the development of livestock resources which will be carried out in stages:

First, in the short term:

- 1. Taking a census of livestock resources and ascertaining that food is made available to them from their natural pastures.
- 2. Controlling plagues and raising the level of training and guidance.
- 3. Encouraging the cultivation of poultry, fish and bees, especially around large urban population conglomerations.
- 4. Developing legislation which will make it possible to protect natural resources, especially pastures and livestock resources.
- 5. Regulating the marketing of livestock resources, setting aside a bank for that, seeking to regulate the flow of livestock from consumer regions and devoting attention to the export of meat rather than live animals.

Second, over the long range:

- 1. Devoting attention to greater use of camels by regulating commerce in them, establishing a research center for them, providing incentives for citizens to consume their meat, studying introducing them into poultry fodder and other means of livestock cultivation.
- 2. Devoting attention to small livestock producers by aiding them in order to increase production and benefit from marketing.
- Combatting livestock diseases.

4. Planning to improve livestock strains by every means.

Eighth: transport and communications:

Destruction has befallen the railways, postal services have declined, telephones have become totally deficient and river transport has deteriorated to the point where communication among the various areas of the Sudan has become difficult, and the nation cannot be built up unless the performance of transportation and communications can be improved. Therefore, we will do the following:

- 1. Improve transportation activities qualitatively and quantitatively and give special importance to the development of the railways, river transport and lake transport.
- 2. Improve telecommunications and postal, telegraph and telephone services.
- 3. Review the performance of organizations and subject them to general reforms connected to the government program.

[AL-AYYAM 13 Jul 86 p 4]

[Excerpt] First: Higher Education

Higher education is the focus of society's broader growth and it is in its units, the universities and higher institutes, that the leaders of the economy and the leaders of the society are matriculated. They are now functioning in accordance with laws inherited mostly from the defunct era, which was hostile to higher education because it feared [a replay of] October, then Sha'ban, and was afraid of student initiatives. In spite of that, the April uprising reached it from Omdurman Islamic University.

Higher education now is being supervised in some fashion by the national council of higher education. Perhaps it is now expected that we will talk about higher education in the framework of the financial resources we will offer it, and that will be enough. However, we cannot talk about this important facility as if everything is as it ought to be and as if all that is needed is to provide the necessary funds. Due to the importance of the subject, we will not make decisions concerning it without enlarged discussion in which everyone will participate, so that the Sudan may reach a determination in its regard. I, as the person supervising the national council of higher education, will open the discussion on this vital subject and want the constituent assembly to begin it, on condition that the universities deal with it and the professors and students discuss it, so that the people's deputies may make comprehensive, protective resolutions regarding this subject. In order to open the discussion on this important subject, we can say the following:

1. Education now consists of universities and institutes, some of which have been fully formed and some of which are names without designations. Those that are fully formed do not have real budgets; rather, they are given outrageously deficient ones. Are we to continue in this state, or are we to be

concerned to provide what is necessary for complete units and deal with the problem of regional balance by opening faculties in the regions?

- 2. Higher education now accommodates no more than 10 percent of the graduates of Sudanese higher secondary schools in the Sudan's institutes and universities. The others go onto the street or to foreign institutes and universities, whether that is inside or outside the Sudan. They are greater in number than those who receive education in the Sudan's universities and institutes. How can we supervise these people's areas of specialization, on the assumption that we have been able to set out a basis to regulate the issue of these areas of specialization through the national council of higher education?
- 3. Specific ratios must be maintained between academic and technical education, then between various areas of specialization in the academic and technical sectors. How can that be achieved?
- 4. Then there is the problem of the relationship between higher education and the requirements of the society, especially if if it is possible to achieve economic planning. How can we achieve it?
- 5. In this regard, there are other facilities which contribute alongside higher education in providing accreditation for the country's human resources, such as training and scientific research. How will the coordination take place?
- 6. There is the issue of accreditation. We do not want higher education or any of its units to be alien to our Islamic Arab African environment. It is well known that subjective notions have entered into the modern sciences, in all their aspects, even the natural sciences, from the civilization of Europe. How will we be able to make our higher education genuine in all areas, even the implantation of technology?
- 7. There is the issue of instability in higher education. The imbalance which has been imposed on higher education has enabled it to confront a dictatorial regime. How can we move over to equal, cooperative relations with respect to the relationship between professors and students, among students and between the units of higher education as a whole and the society at large?
- 8. What share of our national product can we and must we allocate to higher education?

These are essential questions, and this administration will not hesitate to take decisions in their regard, but it would be proper if that were preceded by the dissemination of concultation on the broadest scale, because we have in mind a pilot plan, which is to eliminate the effects of a single notion in the structure of higher education in a manner which will have a historic effect in the Sudan and an exemplary effect in many countries.

We have opened this discussion and we will venture on it in every area, then take the proper decisions, God willing. Until that time, we will deal on a

temporary basis with the current state of affairs by providing the requisite budgets and observing the existing statutes and laws, until the new day dawns.

Second, general education:

Damage was done to general education in the May era in a disgraceful manner. Students' levels deteriorated, education became mediocre and all educational standards declined, from the school to the textbooks and teachers. Until the comprehensive educational plan on which we will concentrate in the future is set out, we will concentrate on the following policies:

- 1. Reviewing and rewriting educational curricula.
- 2. Pursuing the plan to put primary education into general application; a recommendation for this has been made effective to the end of this century.
- 3. Bringing about equality of opportunity among the regions of the country, between rural and urban areas and between boys and girls.
- 4. Linking education to the economic and social plans in the country and linking expansion to these plans.
- 5. Proceeding with the plans to make expansions in technical education.
- 6. Centralizing existing schools, upgrading them and creating coordination between the national and regional plans.
- 7. Reaccrediting Bakht al-Rida so that it may play its part in the curricula, authorship of textbooks and teachers' training.
- 8. Striving to improve the state of teachers in terms of training, accreditation and service conditions.
- 9. Devoting attention to religious education in order to implant faith, morals and religious awareness in future generations.
- 10. Devoting attention to various educational activities in order to enhance our sons' and daughters' freedom.
- 11. Devoting attention to pre school age children.
- 12. Devoting attention to the accreditation and ϵ ducation of disabled persons.
- 13. Regulating, guiding and codifying non-government education.
- 14. Setting out anti-illiteracy programs and expanding their activities.
- 15. Expanding programs to combat functional illiteracy.
- 16. Abandoning special dispensations and improvisation by means of a firm educational plan which will be the guiding force for achieving education in the context of national development.

Third, health and social care:

The collapse of health facilities is a fact of public life in the Sudan that is to be taken for granted. To emerge from this situation, the health sector will perform the following:

- 1. Emerge from the state of improvisation to health planning. Effort and funds will be provided in order to provide health services to citizens.
- 2. Apportion opportunities for treatment among the citizens equably.
- 3. Make rural hospitals the focal point of service in the rural areas, create a firm network between them and the system of health units, exchange points, dispensaries and health centers, and create a form of mobile unit for nomads.
- 4. Stop the deterioration in treatment facilities, reaccredit them, provide advanced methods of diagnosis, increase the absorptive capacity of hospitals, support existing diagnostic units with equipment and personnel and improve first aid and communications equipment.
- 5. Develop health manpower by domestic and foreign means and abandon the notion of distress areas. The whole country needs the learning and expertise of its sons and daughters.
- 6. Seek the aid of the following methods for alleviating financial burdens on the government:
- A. Establishment of commercial care units.
- B. Health insurance.
- C. Group care organizations.
- 7. Devote attention to improving the environment: potable water services, protection of the environment from pollutants, the fight against endemic and contagious diseases, surveillance of food and support for all preventive service branches.
- 8. Guide and codify private health activity and seek to reduce the costs of treatment in private clinics and hospitals.
- 9. Review pharmaceutical policy by means of the following:
- A. Providing citizens with pharmaceutical requirements at the lowest cost and equity in the distribution of medicine.
- B. Granting permits for medicines by importing them in large rather than small containers, saving half their cost.
- 10. Codifying, organizing and coordinating the activity of volunteer organizations operating in the health field.

[AL-SAHAFAH 13 Jul 86 p 3]

[Text] Social Care

Social care has the goal of supporting the family, the first brick of society, and aiding all the downtrodden, and it is committed to the following policies:

- 1. Creating social change which will help in economic and social development.
- 2. Integrating official and volunteer effort on behalf of the optimum use of resources.
- 3. Coordinating all units functioning in the social field.
- 4. Effecting just distribution among regions and groups to serve social care.
- 5. Developing collective activity through:

Furtherance of the people's powers, family guidance and acquisition of women's participation on a broad scale.

- 6. In order to support the building of society, we will work to facilitate marriage and reduce its expenses.
- 7. Aiding weak people, especially the disabled, and investing some tithe revenues to that end.
- 8. Organizing, establishing and administering nurseries and kindergartens.

Fourth, culture, the media, sports and youth:

Under May, the media lost their credibility because they were an instrument for the purposes of individual rule; thus, culture died. This has all been reflected in the deterioration of the morale of people active in culture and the media; indeed, even the buildings developed a propensity to collapse. Therefore, we, in the era of democracy, will put culture and the media:

At the service of the democratic system, in protection of the voice of the people and at war against terrorism, trivialization, diversion and propagandization.

In the direction of opening the doors to honest dialogue regarding all national and regional issues to ward off the dangers of fragmentation and isolation and striving to consolidate national unity and national loyalty to the Sudan.

In the direction of developing the cultural heritage, which, through its numerous sources, is an abundant one.

In the direction of explaining the extent of the damage which afflicted the country by means of the May era.

In the direction of stimulating broad participation by the people in development and construction projects.

In the direction of spreading devotional awareness in general and Islamic awareness in particular.

In the direction of providing truthful information from their reliable sources in service of the decisionmaking process at its various levels.

In the direction of presenting the Sudan and its people with their past, present and promising future, the citizen's requisite role and his effective participation.

It will be an instrument by which the people may make their voice heard by the decisionmakers.

We have undertaken studies to form a national council for culture and information which will play a consultative role and studies to unify the organizational form to be assumed by the various media organizations, such as the general information authority, the general authority for culture and the arts and the general authority for antiquities and national museums.

The devotion of attention to employees' affairs by reviewing their employment conditions, granting them training opportunities, controlling occupational promotions and putting the right people in the right places.

Organizing media occupations in accordance with bills and charters protecting journalists and people in the media, protecting the society and ensuring the right of response and justice in the distribution of opportunities, morality of discourse and respect for people's religions, values and traditions.

Establishing information retention and retrieval centers.

Kindling the spirit of enthusiasm among intellectuals for participating through media channels, innovating ways of supporting cultural and people's activities founded on societies and voluntary culture houses, supporting private publication and encouraging young talents.

Reviewing the relationship between the regions and the center and creating a suitable formula harmonizing central and regional cultural media activity.

Strengthening mutual working relations among ministries and authorities concerned with guidance, educational and cultural activity.

Youth and sports:

In this regard, we seek guidance from the following considerations:

- 1. Attention to national education by means of young people.
- 2. The use and investment of young people's time on behalf of economic, social and political construction.

- 3. Attention to the upbringing and care of children.
- 4. Attention to scientific enlightenment, scientific research and the census.
- 5. Concentration on cultural and artistic activities.
- 6. Use of the media in declaring the policies and plans set out for youth care and sports.
- 7. Opening up youth and sports movements to international experiences and expertise.
- 8. Devoting attention to raising the abilities and competence of people working in youth and sports areas through accreditation and training.

These policies will be subject to a plan set out by a qualified national council, and an executive committee on the national level will be committed to carrying them out.

Fifth: religious affairs:

The choice of the free Sudanese people is Islam. Even the non-Moslem Sudanese hold religious beliefs. This all gives special status to religious affairs in the Sudan, and we, as Moslems, must be attentive to religious guidance and religious affairs for Moslems. We must make it possible for care to be devoted to the affairs of their religion in the case of non-Moslems.

Therefore we will reconstitute the higher council for religious affairs in order to make it possible for it to supervise all religious affairs in the Sudan.

As far as Islamic religious guidance goes, it is necessary to organize it and intensify it in a central and regional manner through all the means of the media.

The country now lacks two types of institute. The first type is the institute of Islamic studies which is qualified to study the issues of the age and Sudanese society under the guidance of Islam. We are committed to making a start in establishing this institute, hoping that it will provide scientific solutions to the issues of the age on the basis of Islam. The other institute is one for qualifying and training people who assume the task of exhortation and guidance and who are put in charge of Fridays and holidays, so that their qualifications may advance to the level of addressing the modern societies of the Sudan with the directives of Islam under the circumstances of the modern era.

The role of religious affairs in the Sudan must be one of leadership and people who are competent in learning who can perform that leadership role must enroll in its service.

Religious affairs must perform greater supervision of various proselytizing organizations in order to ensure their good performance.

Religious affairs must have extensive contact with all religious affairs centers inside and outside the Sudan. We will commit ourselves to these goals and reforms. Since religion is a matter of conscience in the case of every devout person, we welcome all advice and counsel which will contribute to the advancement of this important institution and will enable it to perform its function in order to bring faith to life and in order that Moslems' faith may be integrated with their respect for the beliefs of others in tolerance, which man has known most of all in the teachings of Islam, among the areas where he has known it: "No compulsion in religion," "Call for your lord's path with wisdom and good exhortation," and "Debate with them with that which is the best."

Sixth: labor and social affairs:

There are urgent matters which the Sudanese workforce is facing: the drain of rural manpower, the productive use of surplus labor, training the educationally deficient and the flight of the most skilled and capable manpower from the country. To tackle these issues and engage in its areas of competence, the Ministry of Public Service and Labor will commit itself to the following points of guidance:

First, labor:

Reviewing labor laws, recommending new legislation and carrying out the a-mendments necessary for them to be in step with the democratic era.

Establishing healthy relations between the union movement and labor or zations on the one hand and the government on the other.

Developing the workers' environment and industrial safety.

Approving international agreements in the labor field.

Second: studies and research:

Concerning domestic migration and movement of labor.

Concerning the survey of manpower and the labor market.

Concerning the survey of the workforce in public service to retrain the labor surplus.

Concerning the organization of labor abroad.

Third: human resource development:

Making a statement concerning areas of specialization required in the future so that higher education may be guided by it.

Qualifying the current training centers and establishing new centers (al-Abyad, al-Fashir, al-Qadarif and al-Damir are recommended).

Fourth: social insurance:

Improving social insurance and amending the law on that.

Setting out an investment policy for insurance funds which will guarantee their growth.

Expanding insurance coverage.

Fifth: labor education:

Considering labor education a branch of national culture.

Supporting the general labor education organization so that union ideas which are capable of absorbing the requisite interest in production and giving concrete form to the virtue of labor may grow in place of all the problems of the domestic economy.

Putting labor education programs into general application and building new labor education centers (Madani, Kassala, Port Sudan, al-Abyad and Kusti).

These are the goals which have been specificed in the service sector, and we will direct ourselves to them through reform and the preparation of service development programs which will constitute a link in the national development plan.

Seventh: expatriates:

This is a general sector of the Sudan's people who have been exiled by living circumstances and political oppression and in their life abroad have acquired money, experience and broad contacts and have contributed extensively to presenting and providing publicity for the Sudan, as they have participated in providing sustenance for an important portion of the Sudan's inhabitants.

We will support the commission of expatriates' affairs so that it will be able to:

- 1. Study the problems of expatriates as they are residing abroad, in order to use every means for solving them.
- 2. Remedy expatriates' problems in getting in contact with their relatives and on their return on vacations.
- 3. Set out a conception of ways for expatriates who come back to the country permanently to return.
- 4. Work to tie expatriates to their country from every standpoint and facilitate their mission as people's ambassadors of their country.
- 5. Constantly contact expatriates through conferences which represent them truthfully and are held in the nation through field visits to meet them in places of expatriate residence.

- 6. Set out a detailed working paper to define the role the expatriates can play in the domestic economy and get expatriates to take part in setting this paper out.
- 7. In addition, get expatriates to take part in a plan to destroy harmful consumer practices and concentrate on beneficial activities.
- 8. Help expatriates perform their necessary business in the various government departments.
- 9. Prompt the Sudanese embassies to deal with the problems of expatriates in their country of foreign residence.
- 10. Benefit from the expertise they have acquired and the contacts and positions they have in the task of nation-building.
- 11. Reduce the problems facing them in their children's education.

Section Three: The Security Sector

[Sentence missing] in truth, the officers who carry out adventures, lack self-discipline within themselves and use the armed forces for purposes alien to their duty, whose sole preoccupation, when they take power in the name of the armed forces, becomes having none of their colleques nourish them from the same cup, so that they fear the armed forces and adopt measures toward them which weaken their cohesion and eliminate order in their entity. Nonetheless, lest we venture into a general discussion, I will present you with these figures:

- 1. Officers and soldiers in the armed forces suffer from harsh living circumstances.
- 2. From the standpoint of housing, there is a total failure in the procurement of suitable housing close to work areas. Many of them seek recourse to makeshift housing. The people whose lodgings are in barracks do not generally exceed 10 percent of the force.
- 3. Regarding arms procurement, the most recent supply of arms for the armed forces was in 1967, and there has been none beyond that.
- 4. The basic transport trucks in the armed forces are Magiruses. Three thousand of those exist and 90 percent of them are broken down.

The tale goes on, confirming that the armed forces have been totally neglected, that capable human beings within them have drained off and been uprooted and that the tyrant thrust them into war circumstances without making arrangements for coping with these circumstances.

Sudanese officers and soldiers fight in a manly fashion, with a deficiency in everything else. Not one of the defeats which our armed forces in the south have faced has been a combat defeat, in spite of their small numbers.

After we assumed responsibility and observed the things we did in the armed forces, we considered that these things should not be discussed or dealt

with in ordinary ways. Therefore, we have decided to have an inspection review of all the units of the armed forces, to become informed of all their conditions and to hold meetings with their officers on the broadest scale and in total freedom. As we are traveling about, meeting and holding discussions, we are deriving benefit and preparing to hold a conference of command chiefs to discuss the programs which we consider ought to be applied to provide emergency aid to our armed forces.

The objective of these discussions and preparations is for us to set a short-term program before the government for emergency aid to the armed forces and to provide emergency aid to the forces which are actually fighting now and a medium- and long-range program which will in effect be a complete plan for bringing about competence in our armed forces in terms of arms procurement, training, men and activity to perform the duty of defending the nation in full, in terms of lives, honor and soil.

There is a group of reforms and measures which we noted during the inspection, and this will be carried out alongside others following completion of the current inspection tours.

There is a short-term reform program and another for the long term. These will all be set before the national defense council so that it may adopt decisions in their regard.

What we would like to convey to you is that for the sake of the anticipated emergency aid and the anticipated plan, we will exert everything possible in the form of the government's resources and the resources of friends and brothers, and we hope the self-sacrificing people will have an important role in binding up this wound, which a sector of our people by whom breaches are filled and protection is given against calamities is suffering from.

Second: the interior:

The state of deterioration which has befallen security in the Sudan and the spread of crime and aggressions against people are no secret to anyone, nor are the defiance of public morals and the disparagement of religious and moral taste through the licentiousness of wanton people a secret to anyone.

We will act in the direction of security and for the sake of protecting society from evil by all political, administrative, security, educational, media and penal methods.

The police:

Maintaining the security of the citizen and realizing confidence lie upon the shoulder of the police. The police in the May era met with a neglect which was closer to the thirst for revenge and vindictiveness, and its arms procurement, training, transportation, housing and living conditions were subject to neglect.

We, in the context of democracy, must make the police the protective shield of the citizens' security, and in order that that may be achieved we specify the following goals:

- 1. Reviewing the map of security services (posts and patrols) by providing people with confidence over their lives and property.
- 2. Covering the national capital with a network of telecommunications patrols and providing modern means of contact and communication which will make rapid movement possible.
- 3. Establishing and developing police centers in all towns and sections.
- 4. Raising the level of policemen by recruiting conscious personnel and improving their service conditions in order to attract the best personnel.
- 5. Expanding police technical services, such as the use of modern crime detection techniques.
- 6. Developing emergency police services of high competence to provide urgent aid to citizens.
- 7. Developing traffic services and introducing traffic awareness in the media and education.
- 8. Accrediting the police in terms of training and weapons supply.
- 9. Supporting the public utility police.
- 10. Supporting the supply investigation police (which are being established) to play a role in combatting harmful economic practices.
- 11. Combatting smuggling of all types, especially narcotics.
- 12. Expanding the jurisdiction of bilateral agreements for the exchange of criminals.
- 13. Offering technical aid to the regions with respect to crime prevention and detection.
- 14. Supporting the central anti-smuggling reserve force.
- 15. In the area of passports and immigration:
- A. Simplifying measures to facilitate the production of citizens' documentation papers.
- B. Making a census of foreigners to maintain control over migration and establish the identity of people who have actually migrated.
- 16. In the areas of political security:

The domestic and foreign security agencies will be supported by qualified persons.

The refugee commission:

Throughout its history, the Sudan as a host country has constantly opened its doors to people who sought refuge in it for compelling reasons, but it cannot continue with this open door policy and must subject it to rules serving its national interests. Therefore we commit ourselves to the following bases:

First, they must not harm the security of the Sudan.

Second, they must not affect Sudanese society in the negative sense.

Third, they must not abandon the Sudan alone to confront a problem which in its actual situation is an international one.

At the present time, we commit ourselves to the following general areas with respect to the issue of refugees:

- 1. Pursuing a policy of good neighborliness and non-intervention in the internal affairs of the countries from which refugees come.
- 2. Reviewing the international and regional agreements to which the Sudan is a party as regards the treatment of refugees.
- 3. Organizing suppply programs for refugees and tying them to national programs and programs for regions affected by the presence of refugees.
- 4. Regulating the presence of refugees in their camps and regulating their movement within the country by means of documentation papers.
- 5. Refusing to open the Sudan to any activity in opposition to neighboring countries. In this regard, we know that struggles have deep political causes and if the parties to the struggles agree, we will mediate between them to find a sound solution to them.

Prisons:

In order to realize the prisons' mission, we will perform the following:

- 1. Devote attention to the prison force and eliminate the negative features to which it succumbed during the May era.
- 2. A. Maintain the penal institutions and reconstruct those which have been damaged.
- B. Devote attention to mental institutions by means of training.
- 3. Develop the prison forces' performance by means of training.
- 4. Upgrade all prisons so that they will be at a common level.
- 5. Improve the service conditions of people working in the prison forces in order to attract qualified personnel.

- 6. Concentrate on the guidance and accreditation of inmates so that as citizens they may benefit from the period of imprisonment.
- 7. Devote attention to productive prison projects.
- 8. Review the laws and bills on prisons to keep abreast of social developments.

Firefighting forces:

Support the firefighting forces with equipment and machinery, train and provide accreditation for the forces, improve their living circumstances, develop firefighting awareness and attract the people's efforts.

The hunting guard forces:

These forces are assigned to protect animals living on the land. We will be concerned with them in the framework of protecting the Sudanese environment.

[AL-SAHAFAH 14 Jul 86 p 3]

[Text] We are herewith publishing the final part of the government's address presented by the prime minister to the constituent assembly last Monday.

The border department:

This department performs an important role for a country such as the Sudan which shares land borders with eight countries in addition to sea boundaries.

Our country is now subject to most extensive smuggling activities, which are draining its resources. Therefore, we will concentrate on accrediting the border guard in human and technical terms, from the standpoint of equipment and land, sea and air transport resources, and we will cooperate with neighboring countries to affirm the security of common borders.

The security department constitutes a link which is to be added to the two original ones, the economic sector and the service sector, so that the channels of the national development plan which the national planning council will be formed to set out to draw up the steps for the country's construction will be fashioned out of the three links.

Local government:

- 1. Supporting local government so that it may play its part in the context of its consolidated ministry, dismissing the local administrative committees and replacing them with assemblies representing the bases of the people until elections to local assemblies are held in accordance with a new law.
- 2. Reviewing the inadequate measures the May regime enacted with respect to local administration and issuing a law regulating local administration, giving it effective powers, ensuring the accreditation of the people in it and

making their loyalty subject to democratic means and the provisions bearing on them subject to judiciary review.

Chapter Five: Immediate Measures To Alleviate Suffering

The true containment of inflation can occur only when the government's financial management has managed to contain inflation by various means and domestic production has begun to advance in a manner increasing commodity supply.

We in our economic program will deal with both matters in order to contain inflation and increase production. We believe that this is the remedy to the phenomenon of inflation, but at the same time we believe that there are numerous things which can be done over the short term to alleviate the citizens' suffering, in a manner described as follows:

The following measures will be adopted in this regard:

- 1. Further punishing smugglers and people engaged in the black market. The public prosecutor has started to set out the draft of a law in which the penalty will rise to the level of confiscation in full, life imprisonment and the death penalty.
- 2. The Ministry of the Interior, in coordination with the importers' federation and the chamber of commerce, will review passports granted for commercial purposes which were then exploited for smuggling.
- 3. Facilitating the registration of foreign currencies coming into the airport.
- 4. Intensifying the inspection of travelers and returning persons.
- 5. Supporting the smuggling agency in the Interior [Ministry] in terms of men and the necessary equipment.
- 6. Providing incentives for people supplying information on smuggling and concealed goods and security officials and citizens who discover them by giving them 25 percent of the value of what they discover.
- 7. Suspending import permits for participation in international fair exhibits until further notice.
- 8. Controlling purchases from the free market lest they be sold to persons involved in trafficking. If it is not possible to exercise control, this will be shut down.

Second [sic], the sugar commodity:

- 1. The allocation of sugar to the regions should be in accordance with population ratios and consumption patterns.
- 2. The sugar organization will receive the quotas and distribute them to the regions, confirming that they reach their areas.

- 3. Rules have been set out with the governors of the regions and the capital commissioner to control the distribution of supply commodities.
- 4. A committee has been formed to investigate the receipt of the regions' sugar quotas, make a list of people receiving quotas and confirm their qualification to do so. The committee has been given broad powers.
- 5. Guidance of the use of sugar allocated to industry, with the surplus to be handed over for direct distribution.

Third, meat:

- 1. Assignment of a bank to facilitate credit for butchers.
- 2. Facilitation of livestock transport by rail.
- 3. Commitment to the following systems:
- A. Prohibiting the sale of livestock and cattle except within limited areas in the capital. Sale will be by open auction to authorized butchers and livestock merchants.
- B. Sales will be immediate and on a cash basis through the general meat marketing organization.
- C. Prohibiting the slaughter of livestock in slaughterhouses except by documentation papers and prohibiting the slaugher of females.
- D. Setting out a plan to subsidize mutton and veal.
- 4. Delegating the capital commissioner to sign the relevant contract with the Arab poultry producing authority and determine specific locations for the distribution of chicken at declared openly agreed upon prices.

The authority has committed itself to carry out the project to double its output.

- 5. The agencies concerned will intensify the struggle against livestock smuggling.
- 6. Guiding livestock export, reviewing permits currently granted in the framework of providing local supply requirements and categorically prohibiting the export of females.

Fourth, other commodities:

- 1. The Ministry of Commerce will immediately cover the deficit in consumer goods, shoes, medicines and ordinary cloth through exports against the joint account from the Arab Republic of Egypt.
- 2. Medicines will be imported in hospital rather than commercial containers, which will reduce the cost of the medicine by category.

- 3. The Ministry of Commerce will introduce locally-produced commodities into the commodity distribution system.
- 4. Factories' circumstances will be reviewed to ensure that they are producing what they are actually permitted to produce.

Fifth, housing:

- 1. A ministerial committee which may seek the aid of technicians has been appointed to reduce home rents and set out a rent schedule which is connected to the value of houses, land and locations. The law will protect the rent schedule.
- 2. A large number of citizens have been handed statements on entitlement to residential plots of various housing classes; therefore the Housing Ministry will announce the names of all entitled persons and give a period of a month for the contestation of entitlements. The conditions of the people in whose regard contestation is made will be investigated. The ministry will hand the plots claimed over to others.
- 3. With regard to makeshift housing, it has been decided to differentiate between people who are entitled to plots and people who have appropriated land for purposes of commerce, ownership and hoarding. We have decided to form official people's committees in which a representative of the Housing [Ministry] and the police, an administrative officer and representative of the political forces in the area concerned, in proportion to the magnitude of their votes in the recent elections in all sections, will be present. These committees will submit a statement to the ministry concerning people who actually are entitled to housing and people who have appropriated plots for other than direct housing purposes. The former group will be granted residential plots and the second group will be brought to trial.
- 4. The measures entail much injustice and therefore a ministerial committee has been formed to review them.

Sixth, administrative decrees:

- 1. In the context of the commitment to liquidate the effects of May and to enable the government to carry out these policies, the following will take place:
- A. A purge of obstructive elements among the vestiges of May.
- B. Change in public positions, to break the continuity of self-interested conspiring.
- 2. A rise in the competence of the price oversight system.
- 3. Formation of a qualified national price committee.
- 4. Formation of people's oversight committees in areas and regions in order to subject the black market to surveillance.

5. Reconstruction of the cooperation sector and the elimination of corrupt practices within it.

Seventh, the requirements of the south:

Import and export permits have been granted to the south and it has been clear that they are being used for smuggling. Therefore, it has been decided to:

- A. Suspend import permits for supply materials and direct Equatoria and Bahr al-Ghazal's requirements for available resources to the government to import via the port of Mombasa, provided that Upper Nile requirements be sent by river transport from Kusti.
- B. The Sudan Bank branch in Juba will finance tea, coffee and ivory exports.

Eighth, garden products:

- 1. Establish realistic pricing for vegetables, shorten the distance between consumers and producers and control the unofficial market.
- 2. Expand investment in gardens and ensure that suitable lands around the cities are exploited to the maximum possible extent.
- 3. Provide financing for garden farming.

Ninth, fuel:

We are carrying out a study whose goal is the following:

- A. To reduce the price of petroleum products which are used for productive and investment purposes.
- B. To reduce the price of petroleum products to consumers who buy limited quantities.
- C. To stipulate that the cost of these reductions to the public treasury be covered by the prices of purchases by consumers and large buyers who are permitted to buy the quantities they want as long as they are prepared to pay the high prices.
- D. The general petroleum organization will import petroleum products for foreign companies after they pay the price for them in hard currency. This will help with the programming of imports to increase revenues and combat the black market and foreign currency smuggling.

10th: firm resolve in dealing with public funds. This includes the exoneration of senior officials and guidance of the use of houses, cars and government telephones.

Chapter Six: Foreign Policy

The Sudan today, in spite of its poverty and the destruction which has befallen it, has great international repute because of the victory over tyranny and liberation from subordination which its people have achieved. Our people's self-sacrifice and our democratic system today constitute a tremendous national resource for our country which is of major value in the world of today. The peoples of the world aspire to have the Sudan play a positive, constructive role in international policy commensurate with this achievement and tremendous moral resource, whereas it had been a nonentity on the periphery and nothing was heard of it except news of killing, imprisonment and social and natural disasters. Our people will pursue a positive foreign policy based on the premise of its model and its affiliation and realization of its legitimate interests, and will play a role in world peace, international cooperation, peoples' liberation movements and movements of cooperation among downtrodden peoples on behalf of a fairer, better world.

Our foreign principles will be:

First, assertion of our Islamic, Arab and African affiliations and assertion of our role as a melting pot of Arab and African cultures as a means for deepening Arab-African cooperation.

Second, total abandonment of all connection with the parties to the international struggle and connection with units of cooperation for the sake of realizing common objectives.

Third, commitment to international charters and organizations, the effort to amend these to give small countries a greater role, commitment to regional organization charters and the effort to increase their effectiveness.

Fourth, the use of foreign policy to serve higher national interests, protect the nation's security, preserve its national unity and realize the goals of development.

Fifth, respect for people's ideological, intellectual and political choices and action in conjunction with them toward international peace and cooperation.

Sixth, the effort to liquidate colonialism and oppression in all its forms, the struggle against racial discrimination and discrimination on the basis of origins, and adherence to peoples' rights to self-determination.

In the context of these principles, we will seek to realize the following goals:

In the Arab Context:

1. Arab unity is a strategic goal which will bring our peoples economic power and defense credibility. Although circumstances have prevented that at this stage, we will seek to realize a greater amount of Arab solidarity and to tie the Arab peoples to common economic interests and cultural relations while refraining from interfering in one another's internal affairs, respecting national sovereignty and keeping a distance from the formation of axes.

- 2. We support the Palestinian people's just struggle for the sake of self-determination and the establishment of their independent state on their national soil, and we seek to eliminate the causes of fragmentation among Palestinians so that they may unite within the framework of the Palestine Liberation Organization.
- 3. Toward the expansion of Arab relations, we will reopen our embassies in the countries with which we do not have resident representation.

In the African Context:

- 1. African unity, no matter how hollow-sounding it might have been, is a goal by which Africa will ensure its future in the African context and by which it will face the currents of international hegemony. Therefore, we will try to support the Organization of African Unity and will work to rid it of its negative features. The Sudan will support all vehicles of African cooperation, while it will play its unique role in building Arab-African conciliation.
- 2. Supporting liberation movements against colonialism, especially the revolt of the African majority in South Africa and Namibia, until the system of racial discrimination is eliminated and the rule of the majority of the people is realized.
- 3. Respecting the right of African peoples to choose their political regimes, commitment to the principles of good neighborliness and realization of continental and regional cooperation for the sake of development in light of the principles of the Lagos summit.
- 4. Advocating the Nile Basin charter, which will unite the countries of the source and the mouth within an authority which will bring about development cooperation.
- 5. Keeping the African continent distant from alliances, axes and international quarrels.

In the Islamic context:

- 1. The unity of the nation is a goal of every Moslem. The Moslem countries today are fragmented by a national and domestic state of affairs. We commit ourselves at present to establishing the firmest relations with the Islamic countries and work to stimulate the conference of the Islamic world.
- 2. Expanding the base of our diplomatic representation in the Islamic countries.
- 3. Performing a Sudanese initiative to stop wars between Islamic countries, especially the Gulf war, in order to remedy the causes of conflict peacefully.
- 4. The Sudan has greater, distinctive relations ones with some of its neighbors. These relations have their roots and role in the development of our country. In this regard, we assert:

- A. That the special relationship between the Sudan and Egypt will be formulated in a new manner serving the interests of the two peoples.
- B. We also are intending to establish a brotherhood charter which will give concrete form to the relationship between us and the Kingdom of Saudi Arabia.
- C. Our country's relations with Libya have developed. In principle, we are in favor of having them develop in the direction of overall Arab unity.
- D. Our relations with Ethiopia, Kenya, Uganda, Tanzania and Zaire in the context of the proposed Nile valley charter is to be considered a development of good neighborliness among us and this expresses our African orientation on the east.
- E. We will develop our African relations on the west, vis-a-vis Chad and Nigeria.
- F. The Sudan balances its Arab relations, in the framework of the Arab solidarity it is striving to achieve, with its Arab and African affiliations in the context of its connecting role between Africa and the Arab world.

In the international context:

- 1. Strengthening bonds with the two great powers in service of our national interests and common interests between us and them, while preserving the principles of nonalignment.
- 2. Deepening relations with Western Europe, the People's Republic of China and Japan.
- 3. Establishing firm relations with the countries of the third world and devoting attention to relations with the countries of South America, because they have experiences similar to ours and have preceded us on their road, which will bring us benefit from their experiences. They also have emancipation from domestic tyranny in common with the Sudan.
- 4. Stimulating the Sudan's role in the United Nations organization and other international organizations and devoting attention to the nonaligned bloc so that it may play its international role in cooperation, at a distance from the struggle of the two camps.

In the economic context:

- 1. Seeking to realize international understanding in the Sudan's circumstances of foreign debt and freezing the debt for a period sufficient to enable the Sudan to recuperate economically.
- 2. Attracting economic aid in the context of the Sudan's development plan as a non-basic auxiliary to the realization of this plan.
- 3. Organizing international aid efforts in accordance with a new policy which will direct it toward rural development.

- 4. Addressing the international family to perform its duty toward the refugees. A country such as the Sudan cannot bear this burden alone.
- 5. Working with the group of 77 to realize a new just international economic and media order.
- 6. Providing the Foreign [Ministry] in every way with the capability to be the executive instrument of the Sudan's positive foreign policy and devoting attention to the views of Sudanese diplomats through their participation via conferences and symposiums in determining Sudanese diplomatic approaches.
- 7. Stimulating such vehicles of people's diplomacy as modern means of transport and communications which have reduced distances and turned the world into a single village.

Diplomatic efforts must be integrated with other efforts to strengthen the Sudan and build the nation.

Chapter Seven: Our Platform

My brother the chairman and my colleagues the people's deputies:

People are frail and the circumstances of our country are difficult, but, in spite of all that, we will bind ourselves to a platform on which we hope we can be firmly settled.

First:

To make consultation our prevalent style and not allow connections, positions or relationships cause us to deviate in the direction of disdain and self-aggrandizement, guiding ourselves by the statement of the pure Muhammad, on whom be God's prayers and peace, "Your connections are your morals, your relationships and your acts."

Second:

We will spare no effort in affirming the sanctity of public wealth. The tyrant considered the Sudan his own estate and, in emulating him, all the people in charge of institutions imagined that they could transfer those from public to private ownership. These days have gone and have truly been put to rest in the grave.

Third:

We will quickly make up the distance between the capital and the regions. The regions are embodied in all our assemblies, and our tours of them to learn about conditions and venture to resolve them will continue so that we may eliminate the alienness of authority on all its foundations.

Fourth:

We will subject all aspects of public conduct to forms of review to rectify it in a radical manner, but in any event we will give study precedence over decisive decisions: Measures possess the wisdom of thinking of the morrow while attacks are a thoughtless being which is not afraid of consequences.

Fifth:

We will deal with international circles that are close at hand and far removed in mutual parity and respect and freedom for national decisionmaking. We will spread about the dignity of the nation and the citizen, now that we have become sated with ignominy and ridicule.

These are our objectives and the objective of the path depends on God.

Peace and the mercy and blessings of almighty God be upon you.

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CSO: 4504/383

PHALANGE PARTY RESULTS REPORTED, SA'ADAH ELECTED CHAIRMAN

Beirut AL-SAFIR in Arabic 17 Jun 86 p 3

[Text] The main news in the eastern region 16 June was the election of the chairman, vice chairman, and politbureau members for the Phalange Party in its first serious elections since the death of its founder President Pierre al-Jumayyil.

The third chairman for the party is Dr George Sa'adah who won over Dr Eli Karamah with a majority of 53 to 41. He faces the gravest partisan responsibility especially since he'll be surrounded with politbureau members with opposing political and partisan orientation and views different from those of some of the winners.

At any rate, the results will have political and partisan impact that is expected to crystallize in the near future—first under the leadership of the new chairman and later when the politbureau members begin their terms on 30 June.

Except for the results, the elections were not eventful. The central house in al-Sayfi began to prepare for elections at 0800 under tightened security.

At 1030, reporters were admitted to convention hall and seated in the middle facing members of the politbureau. Around the table sat party Chairman Dr Eli Karamah, Deputy Chairman Dr George Sa'adah, Secretary-general Attorney Joseph Sa'adah, colleague Joseph Abu Khalil, and secretariat members Joseph Ma'rawi, Charles Da'da', Eli Sabbagh, and Antoine Risha.

At 1100 sharp, Dr Karamah rang the bell to open the session then made the following statement: "This will be the first general election to be held in the absence of the party's founder, Shaykh Pierre al-Jumayyil. I ask you to stand for a moment of silence in mourning of the great departed."

After a moment of silence, Dr Karamah continued: "I ask everybody to cast their vote conscientiously and in the spirit of camaraderie. I am certain that this is a Phalangist tradition that has not changed. I now ask the secretary-general to begin the election process."

The secretary-general began: "There has been a misprint in the list of candidates to the politbureau. The name of comrade Nicola Nasr was listed twice. Please correct this. The first list should remain Nicola Nasr and the second should be changed to Nicola Haddad.

At this point, deputy Georges Sa'adah commented: So this is why he issued two statements!!"

Attorney Sa'adah said: "I'll read you by-laws articles that pertain to this meeting," then he recited the first, second, third, and fourth article. He then read the 95 names of the electoral assembly. The only absentee was Roger Murqadah who was said to be travelling (he is in France).

The secretary-general declared a quorum then asked the voters to put their ballots in envelopes without sealing them in order to save time. He pointed out that two private booths were set up at two ends of the hall for the use of the electorate. He also pointed out that each envelope should contain only one name otherwise it would be voided. He asked everybody to write in either George Sa'dah or Eli Karamah without titles.

The elections began with rollcall at 11:12. Colleague Joseph Abu Khalil conducted the count accompanied by the two youngest members--attorney Antoine Shadir and engineer Alfred Madi.

Then the election of the chairman began by counting the ballots which were found to equal the number of voters.

The vote count was 53 for deputy George Sa'adah and 41 votes for incumbent Phalangist Chairman Dr Eli Karamah.

Commented attorney Sa'adah: "Your comrade George Sa'adah has been elected to the chair of the party for a period of these years commencing 30 June 1986."

Asked to speak, the elected chairman improvised:" This is a brief word of thanks, congratulations, and a promise.

"Thanks to all of those who supported me and therefore increased my responsibilities, and to those who did not support me, hoping to lessen my burden.

"Congratulations to the party on its upcoming 50th anniversary. During those 50 years the party was bound to go through this experience of which many were afraid—the experience of elections. The party is electing its chair for the first time in its history. The party has survived more serious times and will pass this test as well. It is a healthy indicator of the democracy and nobility of the party and the Phalangists.

"The promise is that Georges Sa'adah will remain a simple Phalangist just as he was when he moved through all party ranks and during the period when he cooperated with Dr Eli Karamah. That was one of the gravest periods and the party was at crossroads but emerged victorious thanks to this cooperation.

The party will emerge victorious again, thanks to cooperation among us. I just hope that the elections will end when the results are announced for the deputy chairman and politbureau members in order that we may devote curselves, starting tomorrow, to the important tasks that await us. Thank you."

The second phase of the elections began, that is to elect a deputy chairman. Attorney Sa'adah announced that "there are no nominees for deputy chairman and voters may vote for whomever they wish."

Attorney Antoine Jazzar, whose name had been in nomination for deputy chairman, explained that he is out of the running for health reasons. He thanked those who nominated him and said he was at the disposal of the party, in favor of all those mentioned as candidates for deputy chairman, and that he considered them all to be qualified for the position, especially his friend Georges 'Amirah.

l ection results were 44 votes for Georges 'Amirah; 6 votes for Fu'ad Abu-Nadhir, 5 votes for Antoine Jazzar, 2 votes for Lawr al-Jumayyil, and one vote each for Eli Karamah, Joseph Abu Khalil, Antoine Mu'arbes, and Georges Kassab. There were 33 abstentions.

Since none of the winners had an absolute majority, the secretary-general asked for a runn-off election which resulted in 41 votes for Georges 'Amirah, 21 votes for Joseph Abu Khalil, 11 for Fu'ad Abu-Nadir, and one vote for Antoine Jazzar. There were 19 abstentions and one vote was voided for because of redundancy.

It is to be noted that 'Amirah was the only one to declare candidacy for deputy chairman.

The secretary-general then formally announced that the post of deputy chairman went to 'Amirah for 3 years beginning June 30.

The party's secretary-general adjourned the session from 13:10 to 13:30 because of high temperature produced by television camera lights.

Before the session was adjourned, a commotion took place between armed men outside. Karamah, Sa'adah, and Qasis had to leave the meeting to prevent the dispute from escalating. After mediation by chairmen Karamah and Sa'adah, the session resumed with comments from politbureau members that Monday, 16 June, was the longest democratic day in the eastern region! Voting then began on the following 35 nominations to the politbureau:

Samir Zughrayni, Hanna Nijm, Eli Yamin, Pierre Karam, Antoine Ayyoub, Fu'ad Rukaz, Simon al-Khazin, Nicola Nasr, Ibrahim Haddad, Antoine Rahmah, Iskandar Ghusun, Iskandar Shar, Antoine Shadir, Butrus Khawand, Salah Matar, Alfred Madi, Ibrahim Najjar, Munir al-Hajj, Nicola Haddad, Georgette Antoine, Bulus Bisharah, Pierre Sayigh, Sam'an Karam, Sami Khuwayri, Charles Shartouni, Shaker 'Awan, Georges Kassab, Fu'ad Abu-Nadir, Faris al-Hajj, Georges Osas, Georges Mughamis, Antoine al-Halabi, Emile Farah, Louis Haninah, and Kamal Qardahi.

Two printed confidential slates were distributed to the voters. The first contained eight names out of an original 12 and seemed to have the support of former chairman Eli Karamah. The names were: Fu'ad Abu-Nadir, Georges Qasis, Sami Khuwayri, Nicola Haddad, Butrus Khunid, Pierre Sayigh, Ibrahim Najjar, and Sam'an Karam.

The other slate included Antoine Shadir, Alfred Madi, Georges Kassab, Emile Farah, Georgette Antoine, Charles Shartuni, Kamal Qardahi, and Louis Haninah.

Both slates contained deletions and substitutions.

Winners in the first ballot were Fu'ad Abu-Nadhir, 67 votes; Georgette Antoine, 64; Georges Qasis, 61; Georges Kassab, 59; Alfred Madi, 58; Butrus Khunid, 54; Ibrahim Najjar, 50; Sami Khuwayri, 50; and Emile Farah, 50.

Samir Zaghrini received 9 votes, Hanna Nijm'none; Eli Yamin, 2; Pierre Karam, 10; Antoine Ayyub, 38; Fu'ad Rukaz, 30; Simon al-Khazin, 10; Nicola Haddad, 53; Ibrahim Haddad, 12; Antoine Rahmah, 13; Iskandar Chusun, 2, Iskandar Shar, 1; Antoine Shadir, 45; Salah Matar, 44; Munir al-Hajj, 17; Nicola Nasr, 1; Bulus Bisharah, 1; Pierre Sayigh, 41, Sam'an Karam, 43; Charles Shartuni, 10; Shaker 'Awn, 39; Faris al-Hajj, 39; Georges Mughamis, 16; Antoine al-Halabi, none; Louis Haniynah, 43; and Kamal Qardahi, 44.

The secretary-general announced the election of Fu'ad Abu-Nadir, Georgette Antoine, Georges Kassab, Alfred Madi, Georges Qasis, Butrus Khawand. Ibrahim Najjar, Sami Khuwayri, and Emile Farah.

The secretary-general asked that other elections be held to elect three politbureau members and said that "before we begin the election let me announce that the following eight people have withdrawn from the politbureau elections: Samir Zahgrini, Hanna Nijm, Pierre Karam, Simon al-Khazin, Iskandar Ghusun, Munir al-Hazz, Charles Shartuni, and George mughamis.

Winners of the second ballot were Antoine Ayyub, 14 votes; Louis Haniynah, 25; Salah Matar, 17; Shakir Jawn, 25; Ibrahim Haddad, 9; Fu'ad Roukaz, 7; Kamal Qardahi, 21, Munir al-Hajj, 9; Antoine Rahmah, 4; Bulus Bisharah, 3; and Pierre Karam, 26.

After the elections Dr Samir Ja'ja', chairman of the executive committee of the Lebanese Forces, arrived at central house and went into the office of party chairman Dr Karamah who greeted him with: "Congratulations Dr Ja'ja', you won in the election!" It is to be noted that Dr Ja'ja' threw all his weight into the elections being a Phalangist with his own constituents.

Karamah and Ja'ja' had a 10-minute meeting attended by Karim Bakraduni and some executive committee members after which election was conducted. It was a most wonderful democratic election. All the winners are in the service of the Phalangist and of Lebanon."

Asked how the election results would impact the situation in Lebanon he said: "The elections were held just a few hours ago and we are still to assume office

at the end of month. Meanwhile, we will be in touch with everybody. My hope is that we all meet in this house where we received our Phalangist teachings."

He added: "The Phalangist represent principles, a heritage, and a line which must be followed by any Phalangist who reaches a level of responsibility."

It is to be noted that the politbureau elections were won by the military movement. They are: chief of security Georges Qasis, Georges Kassab, Sami Khuwayri, Fu'ad Abu-Nadir, Emile Farah, and Butrus Khawand.

Outgoing from the old politbureau are Lor al-Jumayyil, Munir al-Hajj, Salah Matar, Shak'r 'Awn, and "chairman" Eli Karamah.

Ja'ja' visited the office of the chairman elect and congratulated winners Sa'adah, 'Amirah, Madi, and Kassab.

In answer to a reporter's question Ja'ja commented: "The elections are a tremendous victory for the Phalange party. They were conducted in an atmosphere of democracy and sportsmanship. I think the results will do a lot for the goal of Christian unity."

Asked if the elections will have an impact on the country he said: "Sure. They'll have a positive impact." To a question about impact on the Phalangists and the [Lebanese] Forces he replied: "There are no more Phalangists or Forces. There is now one people and one society."

On the impact of the election results on internal affairs Ja'ja said: "Sure. They will have an impact on the Christian position and the Lebanese position. They'll make it easier to reach a solution. This is natural."

After two brief meetings Sa'adah visited al-Batrun Phalangist headquarters. Asked if he had a word for the Phalangists he said: "The Phalangists don't need to be addressed. The best indication of their attitude is the manner in which today's.

Remaining in the elected politbureau are "chairman" Georges Sa'adah, deputy chairman Georges 'Amirah, Pierre Sayigh, Ibrahim Najjar, Antoine Shadir, and Alfred Madi.

In addition there are eight more who were just elected, minister Joseph al-Hashim, deputy Rashid al-Khuri, the new secretary-general yet to be elected (Karim Paqraduni most probably), and the chairman of the executive committee of the Lebanese Forces (Samir Ja'Ja') who is a member ex-officio.

The politbureau if to be elected June 30 by a committee of four members from a slate proposed by the party chairman.



Sa'adah



Kassab



Khuwayri



Abu Nadir



Ja'ja







Khawand



Shadir



Sayigh



Najjar



Madi



Qasis

12945/8918 CSO: 4404/391 SSNP, HIZBALLAH EXCHANGE PRISONERS, DEAD

Beirut AL-NAHAR in Arabic 18 Jun 86 p 7

[Article: Syrian and Lebanese Reinforcements in Mashgharah. Hizballah and the Nationalist Party Exchange 11 Kidnapped Persons and 7 Dead]

[Text] The diligent efforts of the committee that was established at the 'Angar meeting are bearing fruit. The clause dealing with the exchange of kidnapped persons and casualties was implemented by both parties to the conflict in Mashgharah—the Socialist Syrian Nationalist Party and Hizballah. This opened the door to implementation of other times in the draft agreement signed by SSNP chairman Mr 'Isam al-Mahayri and Hizballah official Shaykh Subhi al-Tufayli.

The exchange operation was organized at the Syrian security center in 'Angar under the supervision of Syrian Col 'Ali Mahmud and representatives of the Amal movement, representatives of the two parties, and Capt Jamil al-Sayyid, information officer of the first company.

Hizballah handed over to SSNP the bodies of Georges Abu Murad, Nazim Hasan 'Ayyash, who used the name Munir 'Awwad, Camille Rashid Barakah, Radwan As'ad Salih, Ahmad 'Ali Qasim, and 'Ali Qasim Isma'il in addition to eight kidnapped persons: 'Abdallah 'Ali Sadir, 'Ali Qasim Ghazalah, Muhammad Mahdi Mahdi, Ahmad Hasan Rida, 'Arif Yusuf Sadir, 'Ali 'Arif Sadir, Nidhal 'Arif Sadir, and Ahmad Hijazi.

In exchange, the SSNP handed over the body of Nassar Hussayn Nassar and three kidnapped persons: Husayn Jamil Tarraf, Muhammad Hasan Ahmad, and Ahmad Shahlah.

All the kidnapped individuals and the bodies were taken by civil defense and Lebanese Red Cross vehicles to the Syrian security center in Shatowrah.

Hizballah in Ba'albak gave Hajj Nassar Nassar a great send off in a funeral procession that began in front of the Imam Khomeini Hospital in Muntazah Ra's El-'Ayn and Ended at the religious school. Shaykh Subhi al-Tufayli eulogized Nassar and lauded his resistance against Israel. The bodies were then taken by motorcade under heavy security for burial in Mashgharah.

The bodies of the nationalists were taken to the morgue at the Tal Shihah hospital for burial at a later date.

The situation in Mashgharah is still critical. The stores are still closed and the streets deserted. A few families have returned to inspect their homes. Additional forces of Syrians and of the first company entered the town to reinforce the military presence in most of the quarters and streets.

A spokesman for the SSNP in the Western Biqa', responding to a statement by Hizballah in Mashgharah, said that "the roots of the conflict in Mashgharah go back to the aftermath of the Israeli withdrawal from the area under pressure from the heroic nationalist resistance by the SSNP which fired the first shot at occupied Palestine following the Israeli invasion of Lebanon. This was the SSNP's well-known operation to undermine the peace for Galilee operation [as written].

Following the withdrawal, enemy collaborators hastened to organize armed formations in cooperation with others from the Lebanese Army's security apparatus and attempted unsuccessfully to use the cover of established organizations and parties in the area.

At this point, the suspects and pawns created their own organization which remained independent of any movement or party until they were able to hoist the Hizballah banner over their heads and resorted to exploit religious phrases and slogans to mask their suspicious activities. When the nationalists began going after agents throughout the area, that organization decided to go on the offense and was able to terrorize the unarmed citizenry. They violated the sanctity of homes and attacked the innocent. They prevented the Christians from tilling their land, forcing a 97 percent immigration rate from Mashgharetal-Fuqa just before the armed conflict with them exploded last Monday evening....

The nationalists joined their brothers in the Amal government, the Syrian security apparatus, and the Lebanese Army in an effort to prevent a breakout of conflict between the various factions by closing up partisan offices and forbidding armed demonstrations. Meanwhile, unarmed party officials on their way from the Syrian security center to party offices were ambushed and subjected to a military attack under heavy fire. The gang of pawns took a number of hostages and set about liquidating them physically. They liquidated Comrade Zahi al-Hajjar and his brother, Bisharah al-Hajjar while they were closing the door to their shop. They prevented their kin from burying them and prevented the clergy from giving them last rites. After several appeals and good offices their father, Faris al-Hajjar, was permitted to carry their bodies in his car alone and bury them in the town cemetary. Physical liquidations continued. Comrades Georges Abu-Murad and Camille Barakah were pulled from among the hostages, accused of being crusaders, and liquidated. The criminals continued to carry out their plan by also liquidating comrades 'Ali Isma'il, Rawdan Salih, and Ahmad Qasim on the pretext that they participated in the liberation of Tripoli.

The nationalists were faced with a hard and difficult task. On the one hand they had to hasten to crush this deadly germ and on the other they had to secure the safety of the inhabitants and their possessions.

We lost one prisoner of war to them in the battle at Tallat al-Khazzanat and they liquidate him on the spot. They spread the rumor that Munir 'Awad belonged to the "Lebanese Forces" but this lie did not last long. Munir 'Awad is the deputy chief of the nationalist force in Bikfayya. He has been fighting against their "colleagues," the Jews in the country. Munir 'Awad is the nom de geurre of comrade Nazim 'Ayyash, born in Bayt Abu-Khalil, Tartus, in 1963. He is one of the heroes of the Lebanese nationalist resistance.

"Detained by the nationalist party are Ahmad Shahlah, who carries a soldier's ID from the second battalion signed by Col Emile Kallas, and Muhammad Husayn Ahmad known by all inhabitants of the Western Biqa' as a pawn of the enemy and for fighting in the army of agent Antoine Lahad. As for Husayn Tarraf, he was found not to belong to this group and was vindicated."

Commenting on the Mashgharah incidents, Shaykh Asadallah al-Hurashi, the Imam of Sahmar, said: "All we can say is that lack of foresight and a great deal of rashness were involved in this action which began small scale then escalated, otherwise we would have been able to contain these incidents one way or another.

"Had the shootings, ambushes, and attacks continued, a terrible catastrophe would have befallen the whole region with grave consequences not only in the Western Biqa' but in many other parts of Lebanon. Thanks to the efforts of the spiritual, political, and military leadership the sedition has been contained before it worsened. Everybody now understands the action and reaction that took place. We reiterate that this is a historical mistake that we should never make again."

He lauded Mr 'Aqil Humayyah, military chief of the Amal movement for touring area villages to calm things down. He also lauded the efforts of Shaykh Muhammad Mahdi Shams-al-Din, vice president of the Shiite Supreme Islamic Council, and of the learned Muhammad Husayn Fahlallah.

He called upon "those who are united to rise above the wounds that afflicted everybody's heart and not to respond to slips of the tongue, not to react to every little issue, and to exercise self-control in the face of all incidents until the problem is settled through verbal negotiations before it becomes more complicated and causes more catastrophes such as those we have recently witnessed. Let us return peace and quiet to our beloved villages with the realization that this area boasts a history, a legacy, and renaissance of ideas, religion, and civilization and a history of combatting the Israeli enemy which is the common enemy and the absolute evil to all. We must solve our problems in the face of this greater problem of Israeli presence in the region.

A communique distributed in Beirut 17 June in the name of the inhabitants of Mashgharah criticized the misleading communiques issued by those who call themselves Hizballah and attacked Shaykh 'Isam Shams, the village Imam, accusing him of "sowing dissent and hatred among the population."

12945/8918 CSO: 4404/391

COMMUNIQUE BY ISLAMIC UNIFICATION ON MASHGHARAH

Beirut AL-'AHD in Arabic 20 Jun 86 p 4

[Article: Unification Movement Berates Those Who Side With Zionism Against Muslims]

[Text] The Islamic Unification Movement, in a communique distributed in Tripoli and directed at "Hizballah," asserted that the forces "that confront us all in Beirut or in Mashgharah or inside or outside Lebanon, have hired themselves below the minimum wage." The communique called for "more solidarity and more dependence on God who mandated that the enemy be fought before its pawns. At this stage, let all our guns unite against Israel."

The communique added that "the liquidation of Hajj Nassar Nassar, one of the leaders of Islamic resistance, is a clear indication of the objectives and targets of the sedition. Shame be on those who bless this sedition, help the guilty hands, and supply them with the tools of destruction and murder.

The communique called for escalating operations and for help in halting the battle in Beirut and in convincing all that it is "a war the combatants are waging against us, the Muslims in Lebanon. Political Maronism will align itself with the murderers in Beirut, Mashgharah, and other areas despite their differences or rather their pretense to have differences. And how about those who claim to fight political Maronism then kill its enemies? Are they protecting it or giving it a truce?

"God have mercy on Hajj Nassar and all those in our land who were steadfast in confronting the enemy or were martyred in the cause of righteousness. Shame on those who place themselves on the side of international Zionism and the Crusades in order to help them beat down Muslims on the pretext of combating terrorism."

The communique appealed to all combatants "to stand united and fight in solidarity against the enemies of God's word and to liberate Palestine and the al-Aqsa Mosque from the impurities of the Jews. We call on all Lebanese and their parties and all Palestinians and their organizations to rise together and to become the party of God for which the almighty has pre-ordained victory and superiority."

12945/8918 CSO: 4404/391 'ADNAN KHASHUQJI ON 'SECRET' MISSION TO ISRAEL

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 21 June 86 p 33

[Article: "Saudi Arabia Sends Khashuqji to Israel; Investment Projects and Millions of Dollars"]

[Text] Last month Saudi millionaire 'Adnan Khashuqji visited Israel and met with a number of Israeli investors. He also held a meeting with Israeli Prime Minister Shimon Peres. 'Adnan Khashuqji has close ties to a number of businessmen and officials in Israel. However, this visit, which he wanted and they agreed to keep secret, was approved by Saudi Arabia, and on that basis he undertook the trip. The millionaire's attorney, a Jewish American, took care of the arrangements for the visit. This man, the attorney, has extremely close ties to Teddy Kollek and has been seen with him in the restaurant of a hotel in Arab Jerusalem.

What Is Behind the Visit?

Saudi Arabia had presented the American administration with a request to purchase a modern arms package. Of course, Saudi Arabia does not want to use these arms in a war against any ally of the United States, especially Israel, and Washington realizes that. It also realizes that there is no desire whatsoever for the arms it sells to be used against its interests by the government that purchases the arms.

Because Zionist influence in the United States is great and there is a lobby exerting pressure on the American Administration and inside the Congress, Saudi Arabia failed to obtain the package. Israel, as we know, does not want any Arab party, even if it has relations with it, to have arms of any sort. Therefore, it supported the failure of the Saudi arms deal. However, Saudi Arabia did not understand the implications of the rebuff and act in "reaction", at least by turning to other world markets to buy arms. Instead, it hastened to dispatch to Israel 'Adnan Khashuqji, the wealthy Saudi and one of the heroes of the operation to transport the Falashas from Ethiopia and settle them in the West Bank and Gaza Strip, in order to try to mollify the government of Israel regarding the [arms] deal and intervene with Congress to get an agreement to sell American arms to Saudi Arabia. In fact, Khashuqji arrived in Israel along with his lawyer, a Jewish American, and concluded a deal with Israel.

It has been learned that, through this Khashuqji, Saudi Arabia had offered Israel millions of dollars in return for its mediation with Congress to approve the deal to sell the arms to Saudi Arabia. This is what in fact took place. Khashuqji also agreed to finance a number of Israeli projects in various investment areas. Who knows, maybe the Saudi "Arab" millionaire had agreed to sponsor the "Falasha" projects beyond settling them in the West Bank and Gaza. During his visit Khashuqji met a number of senior Israeli officials and his attorney arranged several meetings for him with businessmen in Israel. The visit lasted five days, after which Khashuqji returned to London, then to Saudi Arabia, while his attorney remained in Israel. He was seen last week at a table in a restaurant in occupied Arab Jerusalem.

9614/12951 CSO: 4404/396

KINGDOM SEEKS SELF-SUFFICIENCY IN WEAPONS PRODUCTION

London AL-HAWADITH in Arabic 11 July 86 pp 60-61

[Article: Factories for Arms, Factories for Men; AL-HAWADITH at the General Establishment for Military Industries; The Kingdom of Saudi Arabia Turns Toward Self-Sufficiency]

[Text] Self-sufficiency in every area—sound strategy, which Saudi Arabia is adopting and applying in the areas of security, economics, food, education, science, and building and construction. The strategy of self sufficiency originates in the complete and firmly rooted conviction in the fact that the country that eats without farming, clothes itself without weaving, is not a state, and cannot become a shield that protects the honor, principles, and life of human beings.

Saudi Arabia may achieve what it wants and aims for thanks to this strategy. Sufficient proof of the dimensions of persisting in reaching the goals in their entirety is the degree of self-sufficiency Saudi Arabia has achieved in wheat production despite the climatic and environmental difficulties, which could have doomed a fundamental project like this to failure had the adaptive abilities not been centered on solid principles related to the general framework of the kingdom's strategy of development and self-sufficiency.

The military industries are at the forefront of the kingom's goals in terms of military security, which looks to the protection of human beings, the holy places, liberty, and sovereignty in the kingdom and the Gulf region, which is facing aggression from a variety of directions and sources from those who covet it.

Senior Saudi officials view the capabilities of steadfastness, resistance, defense, and security, no matter how they expand, diversify, and include every kind of advanced arms and training, as deficient and threatened if they are not founded on developed national industry for every kind of weapon, beginning with gun bullets and ending with rockets, aircraft, radar, defense and early warning equipment.

Military industry in the kingdom many years ago passed a threshold in defense planning, which aimed at achieving for the kingdom the complete ability to go

beyond just self-sufficiency in this sector, to embark on the production of the most modern arms and ammunition, until the day arrives when the country feels that it is no longer tied to any source for the sale of arms in order to have the means of defense and security.

The kingdom's concerns in this matter include an important aspect of the military industries question. This is the enhancements that can be introduced on weapons purchased from arms producing nations. Saudi soldiers and experts have been able to develop some kinds of rockets and arms related to warplanes, tanks, and personal weapons after an infinite series of tests performed on them.

During the military exhibition that was put on in Riyadh two months ago under the auspicies of Prince Sultan bin 'Abd al-'Aziz, deputy prime minister and minister of defense and aviation, with the participation of the British minister of defense, and after a comprehensive aerial display put on by Saudi pilots in Tornados, F-5's and F-15 jets and resupply planes and the like, Prince Sultan and the British minister and invited guests, including a group from AL-HAWADITH, took a tour of the aircraft. Prince Sultan and the guests stopped in front of one of the planes and he turned toward the British Defense Minister and said to him: "We have developed further the capabilities of this aircraft and enhanced it with instruments and equipment, increasing its ability to launch the maximum of missiles." Then he stood before another plane and told the British minister, "We have developed this one as well, to the extent that it has more power to launch a greater number of missiles at its targets. We are putting your aircraft to better use than you are."

AL-HAWADITH visited a military industrial site in the kingdom and, during a day long tour in the company of Lieutenant 'Abdallah Qarza'i, assistant director of security, we were acquainted with the work and production routine of this entire military city.

The military factories are located in the Kharj region near Riyadh on a vast area of land. They include schools, factories, hospitals, residences for technicians and workers, clubs, mosques, recreation buildings, and athletic fields.

Officials in the plant's administration say that the factories include 23 specialized offices and bureaus. These offices are directing work in helping achieve the goals for which the factories had been constructed. These offices are concerned with production, support, and services:

The production offices, such as the production administration. The support offices, such as the planning and production cortrol office. The services—the office for the operation of utilities and services.

There are 8 mosques at the military industrial sites, in addition to 11 mosques scheduled to be built in the residential quarter for the employees. There is a secondary level industrial institute at the site that admits holders of intermediate equivalency degrees and qualifies them in mechanical, electrical, and chemical specialties. The graduates are assigned to technical staffs in the military plants at the grade-five level.

There is also an industrial training center, which admits graduates with an elementary school degree to train them and provide them with a skill in general mechanics, mechanical maintenance, equipment, industrial drawing, and electronics in order that they be assigned after graduation to specialized staffs in the military factories.

This center is offering over 30 advanced courses for improving performance in various specialties; maintenance, surveying, industrial drawing, etc. The general management of the military factories has not neglected the children of the employees, as there is an elementary and middle school for boys, an elementary and middle school for girls, and a kindergarten and nursery. Eighteen schools will be built in the residential quarter for employees, among which will be 4 elementary schools for boys, 4 for girls, and a nursery.

The factories provide not only for the employees but for their families as well. Thus, they have built a women's educational center, in order to provide attention to educational, social, and health matters.

The factories guarantee medical and preventative health services without charge for their employees through an internal clinic.

The military city's hospital has branched out from a program for the armed forces (Al-Riyadh-Al-Kharj), which has a 60-bed capacity and is considered one of the most modern hospitals in the region. It has been decided to expand the hospital in order to meet the great demand from the military factory workers and their families. The hospital has several specialized sections, such as surgical, dental, gastrointestinal, chest, bone, obstetric-gynecological, and pediatric units, and various health sections such as patients' services. This hospital offers its medical services 24 hours a day.

The military factories offer various educational programs, whether they are industrial, scientific, administrative or general, which are carried out through lectures or seminars in which specialists in various fields participate, or through subscriptions to specialized magazines and periodicals, distributed at the military factories club. The club's staff procures useful books in various fields-religious, industrial, managerial, scientific, linguistic, etc.

The club also offers some instructional and educational films on occassion in order to broaden the knowledge of the workers. It also distributes publications and posters with instructional texts to the offices of the military factories and their employees.

The beginning of the history of military industries in the kingdom dates to the late King 'Abd al-'Aziz, who recognized the importance of war production. He gave orders to immediately lay the foundations for the industry.

In the aftermath of World War II, when political stability prevailed in the kingdom, the state began to be strengthened through the buildup of military forces, which was something fundamental to movement in that direction.

Military industry in the kingdom began with the manufacture of ammunition, then light arms. Then it began to develop until it has today reached the stage of manufacturing medium arms in preparation for advancing to the last stage, approaching the production of medium and heavy [arms].

In 1369 AH [1949-50] during the reign of King 'Abd-al-'Aziz the groundwork was laid, and after his death in 1373 AH [1953] the plants officially opened and the work of producing the kingdom's requirements for arms and ammunition began so that the country might be secure from any danger. Concurrent with its development, the first 5-Year Plan began to be implemented in 1390 [1970] in which plans were made for production and the most important goals were defined. Among them were:

- 1. Building an arms factory.
- 2. Producing a rifle to be used both by security police and the army.
- 3. Producing ammunition for this rifle.

The rifle that the military factories are producing is named the G-3. First lieutenant 'Ali 'Abdallah al-Qahtani says, "We are filled with pride when we compare this industry to similar industries."

First lieutenant al-Qahtani says that the plans which are being implemented aim to train Saudis in production and manufacturing. To this end, an industrial training center has been built as a secondary level institute for industrial education. Secondarily, attention is being focused on other aspects such as health, religion, education, nutrition, social services, banking services, postal services, travel, literacy, and home economics so that the technicians and manufacturing personnel working in the military factories are not forces to leave their place to work and residence and go into the city whenever they want to reserve a travel ticket, cash check, or mail something.

At the instruction of Prince Sultan bin 'Abd al-Aziz, chairman of the Military Industries General Services Organization, residential units at the plants, including 850 villas and 400 apartments for single men, were constructed and furnished with everything that a town like this would require in the way of various services.

The production programs are taking into consideration the requirements of the Saudi armed forces and may achieve self-sufficiency in the arms and ammunition that the plants are producing for the Saudi army.

Among the prominent goals of the Organization is to build a modern military base. This requires a large number of technical experts and setting up research and studies in coordination with the universities and Saudi, Arab, Islamic, and international experts.

In defining the general picture of the future of Saudi military industry it becomes clear that Saudi Arabia will be enabled to participate, along with other national establishments in the private sector, in the development of

the industries that complement the military industries as is the case in other countries. This would enable the military industries to contribute to increasing military production and the implementation of programs and projects for food security.

Military factory officials say that the armed forces in the developing countries participate in implementing development projects, and assert that they assist in a suitable manner the man who gets his education in the factories and then returns to society after his contract or his tour of military duty has expired, bearing with him his skill provided him through service to his country.

The military factories programs today are directed toward entering the domain of heavy arms and ammunition manufacture through studies, increasing the ability of Saudis to enter this field that is no longer restricted to certain countries of the world.

Primary materials sufficient for production abound in the kingdom, as do scientific and technical experts and skilled assistance in the area of industrialization in its various forms.

Are the Military Factories Only Weapons Plants? It is better that "a factory for men" be inscribed first of all on the name of the building in which the industrialists and the technicians learned their sciences. For it is a forum for providing training and qualifications for thousands of youths wanting to participate in building independent Saudi, Arab, and Islamic defensive strength, always capable of protecting Islam, human beings, and honor.

9614/12951 CSO: 4404/396

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

USSR ECONOMIC AID, COOPERATIVE PROJECTS DISCUSSED

Aden 14 UKTUBAR in Arabic 5 Jun 86 p 4

[Article by Muhammad Zayn: "Yemeni-Soviet Relations and Scope of Future Development"]

[Text] Discussion of cooperative relations between Democratic Yemen and the Soviet Union is not limited to an occasion, visit, or meeting as Yemeni-Soviet relations have been multi-faceted since our national independence.

Soviet support for our country has been linked to vital projects, the most important being modernization of the production infrastructure, strengthening new economic forms, etc.

This support is not based on the series of bilateral agreements and protocols concluded between our two parties and countries over the years, but on strategic relations and firm positions described in the policy programs of the Yemeni Socialist Party and the Soviet Communist Party.

For this reason, relations with the Soviet Union have remained advanced and distinguished, endowed by the friendship and cooperation pact with broad horizons for increased cooperation in all spheres serving the aspirations and goals of our people in Democratic Yemen.

Consolidated Loan

While political-party relations were developing and continuing to grow in an excellent fashion, relations in the fields of economy, agriculture, fishing, energy, mining, and health withnessed a real upswing in the form of several large Soviet projects initiated by the signing of the first protocol for technical economic cooperation in 1969 and successive protocols and agreements. On 23 April 1976, all Soviet economic loans were combined into one loan called "the consolidated loan" to facilitate implementation of the projects and programs were drawn up to carry out these projects.

Oil and Minerals

The Soviet Union has undertaken important, vital projects which today stand proudly in various locations in the governorates. The most significant are:

In the field of energy: The power plant project that will provide great potential for 125 megawatt power and allow the station's power generation from the central plant, serving residential, agricultural, and industrial loads in the governorates of Aden, Lahij, and Abyan. In addition to the plant, a complex will be built to desalinize and mix water, with a maximum output capacity of 42,000 cubic meters a day, in order to improve the quality of drinking water in the capital:

In the field of petroleum and minerals: This is one of the most extensive fields of cooperation. Our Soviet comrades have stated that large operations have been carried out, with two large pieces of equipment used by the exploration mission. The equipment is capable of drilling to a depth of several kilometers, and its use will allow production to double.

(Y. D. Sh. Lono), head of the Soviet experts, said in this regard:

"One success in the field of geological drilling is that investment in geology increased from 46,000 dinars in 1973 to 2.57 million in 1985, and the number of Soviet experts went from 6 to 43.

With the help given by Soviet experts and technology in the field of geology to the PDRY, research and exploration for hidden resources has been carried out.

Drilling operations consisted of drilling 21,050 longitudinal meters of wells and 175 of tunnels and 1750 cubic meters of canals.

In the sphere of scientific and practical training, 400 skilled workers were trained, including 26 Yemeni citizens who graduated from institutes and universities in the Soviet Union. Studies of the geological composition of the soil in the PDRY in general found deposits of gold, silver, rare earth compounds (neodymium and vanadium) (neubium and phantanium), copper, (seropik) lead and an extensive group of non-precious metals which are considered to form the basis for uncovering subterranean industrial deposits for the said materials. By chis, the consolidation of PRDYs economic foundation will be completed.

In the aforementioned context of geological activity, digging and discovery operations were carried out with a view toward economic utilization according to what follows:

1—The mineralogical basis for domestic raw materials in the cement industry are the subterranean deposits at Ba Tays and for limestone deposits. There is Hatat with reserves of more than 100 million tons and (Lukaydah) with subterranean deposits of 6.2 million tons.

2--At al-Mukalla, 4.2 cubic meters of limestone for construction, in the Bir'r 'Ali area 0.9 million cubir meters of volcanic slag, and in Shaqrah 1.5 million cubic meters of volcanic slag. The discovery of gold in Wadi Mudan is one of the most significant geological events, and preliminary exploration is now being carried out by the Ministry of Geology on a key-ready basis.

Preliminary exploration of the gypsum deposit at Ahwar (2 million tons) is being completed for cement production. The Lahij deposit of clay materials (3 million cubic meters) to be used for brick, paving materials, etc., is being completed, as is the evaluation of Nawbat Dukaym for pottery manufacture and sandstone (.5 million tons).

Agriculture

The agricultural sector has recently witnessed noticeable development with construction of eight dams, setting up agricultural research centers, manufacture and repair of agricultural machinery and equipment, reclamation of land, construction of major and secondary roads and drilling and equipping of several wells, some of which are completed and others which are in progress.

Our Soviet comrades say the following in this regard:

"With our technical assistance, crops were harvested on reclaimed land at the state farm in Harrane which is one of the state farms in Wadi Hadramawt. Some of this land yielded 44 square meters of wheat per hectare. Al-Mashshad state farm yielded 300 square meters of tomatoes per hectare. The crop yield was high in these areas, since average wheat production in the PDRY in 1984 was 180 square meters per hectare and 113.9 square meters of tomatoes per hectare."

The other major task is to convert the state farms into progressive farms. Soviet experts who are offering technical assistance in maintaining irrigation installations and systems are implementing large-scale operations. The irrigation systems have been set up to take in flood water during the limited time it is available, and water has been taken in and completely distributed to the farms. They are also training Yemeni workers to maintain irrigation installations and systems.

The experts working at the central workshop are providing a great deal of help to owners of construction, maintenance, and development companies to repair machinery and equipment that is not operating. An example of the efficiency of the Soviet design section is that in a short period, the plans were prepared to rebuild damaged installations. Under the third 5-year plan, the General Administration for Yemeni-Soviet Projects is to survey, prepare, and develop more than 4,000 hectares of newly-irrigated land and rebuild irrigation system on 418 existing hectares and to prepare and complete 60 wells and construct complete farms on three state farms by 1990. Workers of the General Administration for Yemeni-Soviet Projects are to increase reclaimed land to 5,500 hectares, and maintenance personnel are to expand their activities. The latter will maintain irrigation installations over 10,000 hectares of land. Cement-related operations will amount to 24 million cubic meters, while those involving concrete and reinforced concrete will amount to 156 thousand cubic meters, in addition to other operations.

Fishing

One of the most important Soviet projects in the field of fishing is the "fishing port," which is being built in the (Mujayf) area of the capital city

of Aden. Soviet and Yemeni engineers are working side by side constructing 2,000-ton capacity refrigeration buildings in the fishing complex after pouring concrete, controlling the sea, and building the pier.

The other project is a fish canning factory in al-Mukalla, which received the heroic production medal in appreciation for the efforts made to increase and improve production.

The Soviet Union has shared in other ways, including helping to build fishing cooperatives and the fishing training institute at Fort Jamal/Khawr Maksir and providing the Yemeni Fishing fleet with boats.

Transportation and Health

Transportation: Constructing runways at Aden International Airport, aircraft holding areas, and the ground communications station.

In the health field, the most important project is the hospital for mothers and children, which is one of the largest hospitals in the country.

Projects under the 5-Year Plan

Comrade 'Abdullah 'Abdan, deputy minister of planning, talks about the Soviet Union's participation in the third 5-year plan for economic and social development:

"The draft of the third 5-year plan contained proposals for Soviet participation distributed among the following major sectors:

Industry	16.8	percent
Fishing	3.8	percent
Energy	59.3	percent
Oil and minerals	19.2	percent
Other service sector	1	percent

"This group will probably expand in light of the arrangements we are making to amend the plan document."

Comrade 'Abdan explains, '[Regarding] the major aspects of implementing the development projects, funds will be earmarked from Soviet loans to import certain goods and materials to help cover a portion of local costs of the projects."

The Future of Yemeni-Soviet Relations

The directives of the Central Committee of the Yemeni Socialist Party stressed the necessity of broadening and deepening Soviet-Yemeni relations in a way that would serve the aspirations of the Yemeni and Soviet people.

Concerning the future of these relations, the deputy minister of planning said, "During the recent visit by the Soviet economic delegation, a series of meetings were held, during which ideas for the future in various fields were reviewed,

including the possibility of cooperation with our Soviet comrades to implement several strategic and fundamental projects. Ideas were brought up about developing several sectors over the long term, such as electricity, agricultural production, and water resources. Among the fundamental projects for future cooperation is improving the basic elements of the Aden refinery, constructing oil tanks and docks for the port, and building a new electrical power plant for the refinery, in addition to continuing to drill for oil and minerals over a wide area. Ideas were also presented in the field of housing concerning the building of new residences and grain silos at the port of Aden. As far as trade exchange is concerned, we emphasized raw materials and essential goods in particular, as well as raw materials for Yemeni industry in order to meet the needs of the market and export the surplus to the Soviet Union. In the media field, it was suggested that a request be made for a 300 kilowatt broadcasting station to be built."

Undoubtedly the visit by our delegation headed by a comrade member of the politburo and prime minister will yield positive results to develop and strengthen these relations, for our Soviet comrades have promised us at every meeting, whether in Moscow or Aden, that positive results strengthening the relations between our two friendly countries would be achieved.

9882/12951 CSO: 4404/397

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

CALL FOR REVIVAL OF STEADFASTNESS, CONFRONTATION FRONT

Aden 14 UKTUBAR in Arabic 4 Jun 86 p 3

[Article by Muhammad 'Ali Sa'd: "Press Statement by Central Committee: Revival of Steadfastness and Confrontation Front Necessary to Face Challenges"]

[Text] The press statement released by the fourth regular session of the Yemeri Socialist Party Central Committee held from 27 to 29 May 1986 called for reviving the Steadfastness and Confrontation Front as a requirement imposed by increasing provocations against the Arab people and their fateful causes by imperialism and Zionism and by a series of political developments in the Arab world.

The appeal to revive the Front found in the statement by our party's Central Committee was not a new one, since the party leadership has continually believed and continues to believe that reviving the Front will have the greatest possible impact in confronting the series of imperialist, Zionist schemes and will be a successful means of thwarting all opportunities for the collusion which is behind the various, numerous forms of capitulationist agreements.

Anyone following political developments and events in the Arab world in the last few years will find beyond the slightest doubt that these developments have shown national and revolutionary vigilance as well as schism, conflicts, and disputes. He will realize that the need to unify Arab ranks is greater today than at any time in the past and, consequently, that reviving the Steedfastness and Confrontation Front is an important part of reuniting Arab ranks and adhering to reason and objectivity in the face of dangers threatening our Arab people, their interests and their legitimate, just rights.

We believe that the announcement of the establishment of the Front in 1979, after al-Sadat concluded the Camp David Accords, which prevented powerful Egypt from doing all it could for the sake of the Arab-Zionist struggle, was the natural, logical reaction to the policy of capitulation begun by al-Sadat, who took with him several regimes that supported him secretly or openly.

After this announcement, the Arab people found in the establishment of the Front a subjective, practical reply by which they could play an effective

role in order to restore usurped rights and a strong deterrent to thwart the imperialist-Zionist plan to split the Arab progressive nationalist forces and prostrate them by forcing on them capitulationist agreements in the works after that lobby succeeded in removing Egypt from its role of confronting the Zionist petty state. Today the Arab world is undergoing fragmentation, schisms, and secondary conflicts which make it subject to the ambitions of direct intervention by American imperialism and the Zionist petty state. The unjust raid on Libya is a recent example. The raid on PLO headquarters in Tunisia is another. The assassination of Rifaq al-Salah in Lebanon, the rending of the Palestinian bond, and the Iran-Iraq war have all clearly and extensively helped increase the dangers and aggressive policies directed at the Arab people by imperialist and Zionist circles, which have exploited the distressful situation in the Arab world by carrying out direct aggression at times and indirect intervention at others, virtually unopposed.

They were encouraged in this by the failure to convene the emergency Arab summit conference, which adopted several active measures against the United States and its obvious aggression against the Libyan Arab people. In fact, we even hear and read in reports from the international press that the Zionist petty state is preparing to attack Syria.

Therefore, we find that the appeal by the Central Committee of our Yemeni Socialist Party to revive the Steadfastness and Confrontation Front was based on a clear reading of the nature of conditions in the Arab world and on the magaitude of the imminent dangers to the Arab people and their legitimate, just rights. This clear reading of the nature of circumstances and political developments in the Arab world has taken into consideration several objective facts, the most important of which may be that the absence of unity in the Arab ranks has compounded the dangers threatening progressive, nationalist, Arab regimes while exposing them to conspiracies and plots to subjugate them. From another aspect, if these regimes attend wide-scale Arab meetings as individual regimes, they may be forces to accept policies that do not serve the fateful Arab struggle, and may find their political systems and national choices directly endangered. For these reasons, the Steadfastness and Confrontation Fronts agreement and uniformity of views and opinions on the important Arab issues will make them more influential in collective, Arab decision-making, serving the legitimate, just rights of our Arab people on the one hand and eliminating in all circumstances the continuation of capitulationist plans which appear in the Arab world from time to time.

Libya was laid bare to a dangerous attack by America and is still subject to military intervention in her affairs. Syria is now in great need of Arab solidarity and support to confront the American-backed Zionist mobilization on her borders. The PDRY is also subject to an American plan for open intervention and violation of her sovereignty. Because of the divisions within the PLO, part of its effectiveness has been paralyzed. For all of these reasons, there is a pressing need to revive the Steadfastness and Confrontation Front to counter American-Zionist provocations and to guarantee the failure of all wagers that peace will be established through the American option.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

WHEAT CROP SATISFIES WINTER AGRICULTURAL PLAN

Aden 14 UKTUBAR in Arabic 1 Jun 86 p 4

[Article by 'Aziz al-Tha'libi: "State Farms and Cooperatives in Saywun District: Wheat Crop Performs Well"

[Text] According to the figures, state farms and cooperatives in Saywun District succeeded in satisfying the 1985-86 winter agricultural plan. The overall percentage met for farms and cooperatives was 87 percent--6403.7 feddans out of 7393 feddans in the plan.

State farms achieved a rate of 99.9 percent, with 1087,8 feddans out of 1088. Cooperatives had a success rate of 84 percent, with 5314.9 feddans and a goal of 6305. Certain farms and cooperatives outside the plan were cultivated, for a total of 36.8 feddans in Ba'Ilal, Bur, Jaymah, al-Rudud, and at the Sah cooperative.

The success rate of farms and cooperatives under the plan was 86 percent, not counting crops cultivated outside the plan.

According to comrade Barak 'Abud Nysayr, secretary of the economic bureau of the party committee in Saywun District in an interview with 14 UKTUBAR:

"In truth, there were certain failures and deviations from the plan with the farms and cooperatives and with the crops, but they were comparable.

"The state farm performance ratio was between 90.3 and 120 percent. Al-Suwayri and Bur farms were at the top, with 120 and 104 percent, and Jaymah was at the bottom with 90.3 percent, which was upped to 93.4 percent with the addition of areas not under the plan.

"There was something of a disparity in crop percentages. The wheat yield was good, although the planned areas was larger than what was previous decided, with the potato area added to that of wheat and the instructions arriving late, thus preventing proper preparation. Nevertheless, 1366 feddans met the plan in Wadi Hadramawt, as compared to 1227 during the 1984-85 growing season. This showed an increase of 139 feddans.

"The percentages of agricultural cooperatives varied from 72 to 113 percent, with the Sah cooperative achieving 110 percent, which rose to 113 percent with the addition of areas outside the plan which included garlic and banana crops.

"The method of implementing the plan shows that crop areas were not cultivated in accordance with seasonal planting indicators. For example, the clover crop had a rate of 163 percent, while the eggplant and fennel crops has a rate of 9 percent. This phenomenon must be improved upon next season.

"Shibam cooperative took second place on the list of cooperatives which performed well, with 97 percent, while the rate for Tarim cooperative declined by comparison with the cooperatives in al-Wadi achieving a rate of 72 percent. The decrease occurred in most crops, with the exception of domestic wheat, which had a success rate of 80 percent—the highest for the cooperative this season. The shortfall in planting (al-Ahgar) wheat was the predominant, negative factor in the success rate for improved wheat.

"If we look at 'domestic and improved' wheat crops in the cooperatives, we find that 3048.5 feddans satisfied the plan, while last season's figure was 3252, with a drop of 103.5 feddans. The decrease occurred principally at Saywun and Tarim cooperatives and at Shibam cooperative, which kept seeds for 28 feddans in storage and unplanted.

"A total of 3081 feddans of domestic wheat met the plan, as compared to 3631 feddans last season. A decrease of 50 feddans, was apparent, primarily at Saywun and Tarim cooperatives. Saywun cooperative had a success rate of 171 and 142 percent for onion and tomato crops, respectively, at the expense of other crops.

"In light of its discussions of the evaluation report on implementation of the winter plan for 1985-86 for state farms and agricultural cooperatives, the party committee stressed the need for regular meetings of the follow-up committees for the agricultural plan in al-Wadi, personal accountability of those responsible for the failures, early conclusion of agreements with stations renting agricultural equipment, and beginning preventive spraying."

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OFFICIALS SUGGEST BETTER DISTRIBUTION OF RATIONED GOODS

Kabul HEYWAD in Dari 6 Jul 86 p 3

[Text] How can we better organize the basic services and needs of the people? This is a question which calls for a solution by responsible officials.

From among the issues discussed in many of the letters sent to this newspaper by our countrymen one pertains to the issue of better reorganization and distribution of basic needs, particularly the ration food stores. Specifically, our readers focus on the issue of sugar distribution and wonder what could resolve this issue.

Right now, on a daily basis about 200 tons of sugar are distributed throughout the city of Kabul, while with due regard to the population of Kabul some 100 tons of sugar could meet the needs of this city. In the meantime, the government sugar distribution network [through the medium of stores] has expanded considerably, which in itself helps a great deal in the proper distribution of this commodity.

Therefore, we can see that the major problem pertains to correct and timely distribution rather than its shortage!

For the purpose of presenting more convincing answers to our readers and helping us to resolve the issue in a suitable manner, HEYWAD newspaper organized a round-table and invited the respectable leaders of the Public Provisions and Basic Needs, the director of the Wholesale Department of the Ministry of Commerce and those of other government services and Inspectorate for Commercial Affairs Office so that they could throw more light on the issues at question for our dear readers.

At the beginning, in answer to a question Engineer Saleh Mohammad, director of the Public Provisions Department of the Commerce Ministry stated: As indicated by the last three years' figures, sugar production in 1363 [21 March 1984 - 20 March 1985] was 111,500 tons, that of 1364 [21 March 1985 - 20 March 1986] was 120,000 tons and that of 1365 [21 March 1986 - 20 March 1987] which will be received from the Soviet Union, part in trade and part as assistance, will be 150,000 tons. This figure in comparison to 1363 shows a 34.5 percent increase and a 25 percent rise as compared to the year 1364.

There are sufficient rationed goods such as vegetable shortenings, soaps, tea and flour in the stores. There is no denying the fact that we have a distribution problem. This difficulty, before anything else, is the result of the people who crowd the ration stores during the last 10 or 12 lays of the month.

Therefore, during these 10 days the distribution of goods between 3,000 to 5,000 people who are registered to receive their ration from a certain store could undoubtedly face some problems since the number of the people who are coupon holders in the city of Kabul reaches 170,000. If we divide this number by 30, we see that 5,600 individuals receive rationed goods every day—for instance, in order to provide flour for this number of applicants for a single day alone even the capacity of the grain silo of the capital will be strained.

In order to obviate this serious problem, it has been recommended that two stores be set up in each sale region; in this way the distribution capacity will be doubled and to a certain degree it will alleviate some of the difficulties of our countrymen.

Similarly, for the purpose of facilitating the access of the coupon holders, in 1365 ten new ration stores will be added to the existing ones.

In this regard, the director of the Wholesale Department of the Ministry of Conmerce stated: As a result of the fruitful measures taken by the government stores
at the beginning of the current year for the distribution of sugar and cutting
off the hands of the middlemen, adequate quantities of sugar have become available
in the various stores and many of the pertinent problems have been resolved through
the guidance of the Ministry of Commerce and sincere cooperation and participation
by the people. At present, there is an adequate supply of goods available throughout these stores for sale at specified price.

Here it should be mentioned that although no more than one year and a few months have passed from the life of these stores, yet through the guidance of the party and government officials and the serious attention of the Ministry of Commerce, until now 26 large department stores and 70 sugar distribution stores in the city of Kabul with their branch stores in the provinces of Parvan and Balkh have been created. There are branch stores in the city of Charikar, also in the districts of Panjshir and Najrab and one each in the city of Mazar-e Sharif and Heyratan ready to serve our countrymen.

Despite all the difficulties which have to be faced by a new establishment, capital investment-related and other pertinent transportation and procurement problems, right now more than 400 basic items including foodstuffs, utensils, power tools, refrigerators, fans, perfumery and many other kinds of commodities are available at these stores in the capital and other provinces of the country at 10 percent lower than the market price. Here it should be noted that the existing number of such stores are not sufficient to meet the needs of all our hardworking people and it is planned to open two new department stores and 10 sugar distribution stores in the high-populated areas of Kabul in the near future.

Furthermore, it is in the future plans of the government to open a minimum of one branch department store in each of the provinces of Nangarhar, Konarha, Past to and the subprovince of Khost to present all the basic needs of the people for sale, during the current and coming years. This is part of the valuable objective.

of the social and economic development plans for the years 1365-1369 [21 March 1986 - 20 March 1987 to 20 March 1990 - 20 March 1991] which in fact is considered to be the first 5-year plan of the country.

In this regard, Abdol-vahed, director of the government Inspectorate for Commercial Affairs said: The government Inspectorate for Commercial Affairs has presented certain proposals about the proper way to ration goods by the ministries and other relevant establishments. By that it is meant to create stores within the aforesaid institutions to provide and present the basic needs of the government employees. Until now, 11 such establishments have started this plan and the results have been very positive.

As a result of proper investigation by this office, one reason for delay in distribution process can be cited as follows: Formerly, a certain quantity of sugar used to be distributed by free agents and some middlemen. In order to put an end to hoarding, scalping and blackmarket the quota for such people has been distontinued and added to the allocation of government distribution centers.

Similarly, a number of confectioneries who did not receive a quota and used to obtain their needed quantity of sugar from the blackmarket, as a result of cooperation and collaboration of the relevant parties, now get their needed quota from government stores on a continuous basis.

For the purpose of preventing overcrowding in the wholesale or other sugar distribution stores, recently other ration stores have been designated to provide sugar for the government employees as well.

thus we can see that there are many decisions and other pertinent measures underany to help alleviate some of the difficulties faced by our countrymen in the timely and correct distribution of sugar and other basic needs. We hope that such attentive considerations will continue.

HOUSING COUNCILS CREATED TO SOLVE PEOPLE'S DIFFICULTIES

Kabul ANIS in Dari 7 Jul 86 p 2

[Text] The National Fatherland Front Provincial Council of the Provinces of Qonduz for the purpose of expanding and strengthening the revolutionary rule in the country and in honor of the fifth anniversary of the National Fatherland Front of the DRA and in order to implement the sanctioned laws of the National Fatherland Front's plenums, this great and powerful social and political organization has expanded the number of the National Fatherland Front councils throughout the hamlets and villages of Qonduz Province. We can name 24 village and residential councils which have been formed recently with 756 members. A source from the National Fatherland Front Provincial Council of the Province of Qonduz while stating the above, went on to add: Thirteen residential and environmental councils have been created through the medium of the National Fatherland Front of the Qonduz City Council with a total membership of 446. Four of these councils are in the district of Hazrat-e Emam with 119 members, three councils are in the district of Dasht-e Archi with 125 members, two councils in the district of Char Darreh with 54 members, two councils in the district of Aliabad with 12 members which have all been recently formed.

Likewise, self-defense groups in the village of Sheykh-Ali, a subdistrict of Aliabad with 14 members and two peace assemblies in the village of Ebrahim Kheyl of the city of Qonduz have been formed accordingly.

The source also added: As a result of the intensified efforts of the councils affiliated with the National Fatherland Front Provincial Council of Qonduz, three literacy courses, which have a minimum of 40 students, have been recently created, and 230 eligible children have been introduced to various schools. Furthermore, one parents-teacher association, seven commissions to resolve family disputes and three commissions for scholars and clerics have been formed recently.

In a like fashion, in honor of the fifth anniversary of the founding of the National Fatherland Front, 25 orientation meetings have been held in order to explain the goals of the party, the government and the National Fatherland Front to the people. Similarly, through the medium of the National Fatherland Front of Quantum City Council, three farmers councils, two water distribution committees, in which 24 farmers have membership, have been created. Through the cooperation and efforts of these councils, it various voluntary work-teams with the participation of 1,000 people have been carried out and as a result of such cooperation cleaning of the streets, trash collecting, repair and painting of several mesques of the city of Conduct became a reality.

The aforementioned source went on to say: The National Fatherland Front Provincial Council of Qonduz in 1364 [21 March 1985 - 20 March 1986] introduced 691 persons to the armed forces, it also formed six peace assemblies, four self-defense groups with 36 members, five mobile propaganda groups on the level of the council and 15 literacy courses with an enrollment of 208 students who are taught by nine volunteer teachers.

During the same period, 4,400 group and individual meetings, 176 public gatherings and 42 orientation meetings were held by the National Fatherland Front Council on different eccasions.

The abovementioned source added: During 1364, 83 voluntary work-teams were carried out and as a result a great deal of money was saved by the government. Likewise, through voluntary cooperation about 15,000 fruit-bearing and non-fruit bearing trees were planted throughout residential neighborhoods.

The source further said: Last year through the medium of the front's councils 5,000 requests and suggestions of the inhabitants received positive answers and many difficulties of the people were resolved.

In a like fashion, through the National Fatherland Front Provincial Council of Qonduz 428,543 afghanis in aid was paid for the repair and painting of the two mosques of Chehel Dokhtaran and Hazrat-e Emam, Takharestan School, Vatan Orphanage, and Scouts' Palace.

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COTTON FARMERS RECEIVING ASSISTANCE

Kabul HEYWAD in Dari 6 Jul 86 p 2

[Text] Cotton is one of the important industrial plants which has been cultivated in various parts of our country for many years, in addition it is the raw material which meets the needs of our textile industry. Furthermore, a large quantity of this material is also exported annually and as a traditional export item it plays an important role in earning income and foreign exchange.

There are four major regions for cotton cultivation in Afghanistan. Balkh and Sepin Zar gin and press regions and Herat and Bast cotton regions. These regions are located in the provinces of Samangan, Jowzjan, Faryab, Balkh, Takhar, Qonduz-e Baghlan, Herat, Badghis, Helmand, Qandahar and Farah. After harvesting the crop from each region, the cotton is sent to the designated plants where it undergoes the ginning, carding and baling process and thereafter it is either sent to domestic textile factories or made ready for shipment abroad.

The gin and press plants usually conduc: the purchasing, carding and baling of cotton, in addition, these plants also produce oil, soap and cotton cake and each of these products in turn is very valuable in meeting some of the needs of our countrymen. On account of the extraordinary value of cotton in our national economy, after the advent of the victory of the glorious Sawr revolution, in order to encourage the cotton farmers, extensive and invaluable measures have been taken to expand and augment the area under cotton cultivation and increase its production. Furthermore, in addition to doubling the purchase price of cotton from the farmers, the government also reduces the price of chemical fertilizer for use by these farmers and provides them with other forms of assistance such as transportation of cotton, distribution of crop seeds and providing loans or support money to cottom farmers and giving farmers to a certain portion of the total production up to a predetermined tonnage.

However, it should be noted here that despite all these measures the production level of cotton has not exceeded that of the pre-revolution era and as a result the export of carded cotton has remained the same and no appreciable increase has been noticed. To this end, in the first 5-year plan [after the advent of the revolution] great attention has been paid to the matter of expanding or augmenting the area under cotton cultivation, increasing its production, providing the tarmers with the necessary cotton crop seeds and meeting their other needs.

In accordance with the fundamental economic and social developments of the DRA, it is intended that during the next 5-year plan to increase the production of cotton crop seeds up to 150,000 tons [130,000 tons of cotton to be purchased by the light industrial plants and duly processed]. And by the end of the 5-year plan in comparison to the year 1364 [21 March 1985 - 20 March 1986] it is expected that the production of carded/dressed cotton will increase by 2.3 and that of dressed cotton for export will increase two-fold.

For the purpose of effectuating the goals of the 5-year plan and with due consideration to the resolutions of the first assembly of the country's cotton growers and the pertinent party and government sessions pertaining to the realization of the land policy of the DRA, the Council of Ministers of the DRA has paid serious and comprehensive attention to the matter of an increase in cotton production throughout the country and enhancement of the living conditions of the cotton farmers of the country. For this reason, through worthy decisions the government has effectuated extensive measures. For instance, at its recent meeting on 27 May, 1986 the Executive Committee of the Council of Ministers of the DRA made some valuable decisions in this regard -- it was during this session that the resolution pertaining to the procurement and distribution of support money for the correspondence of the country was approved, and accordingly the Ministry of Light Industries and Foodstuffs has been obligated to provide 600 afghanis of support money for each acre of land through the relevant gin and press regions. Here it should be noted that the support money will be paid to those farmers who are owners of the land and are not in debt. Likewise, the Bank of Afghanistan has been duly instructed, according to the relevant plan, to provide 200 million afghanis of credit without interest as support money for the farmers through the pertinent regional gin and press plants for an area of 85,000 hectares of land which will be under cotton cultivation in the current year. This support money can be reimbursed through deductions from the payments due to the farmers for cotton production. Furthermore, at the above-stated meeting necessary decisions were made regarding collecting farmers debts.

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BETTER FACILITIES CREATED FOR HAJJ PILGRIMS

Kabul ANIS in Dari 7 Jul 86 p 4

[Text] Our patriotic and religious people can very well witness now that the revolutionary party and the government which is making untiring efforts to realize the lofty ideals of the glorious Sawr revolution is also providing the necessary assistance to insure and create better facilities for Hajj pilgrims in observing the religious ceremonies.

After the advent of the victory of the revolution, hundreds of mosques and other religious gathering places have been built, repaired or painted throughout our country, and such holy places are being protected continuously. In a like manner, our revolutionary government will not refrain from providing any and all necessary assistance for Hajj pilgrims in performing the required religious pracepts. According to its action program, from now on, the party, will as before continue to follow its policy with utmost sincerity regarding proper respect for the religious beliefs and public sentiments.

while making the above statements, in an interview with the ANIS correspondent, the administrative director of the Ministry of Islamic Affairs and Endowment also said: Right now, as a result of a constant attention of the party and the revolutionary government and a blessing of the revolution itself, we are no longer facing the difficulties which existed before—likewise, the respected Hajj pilgrims are not going to have any problem at all. Fron now on, all the relevant paper work, namely presentation of an application for travel to Mecca, up to obtaining proper foreign exchange and passport all will be done by a committee which is stationed in the mosque of Shirshah Suri, for this purpose.

The aforementioned source added: All the offices or departments which in one way or another need to deal with the requests of the Hajj pilgrims, have one of their representatives present at the said committee so as to take care of the various related affairs accordingly.

In addition to the committee from the Ministry of Islamic Affairs and Endowment, which coordinates the Hajj pilgrims' affairs, other branch representatives such as the Bakhtar Afghan Travel Agency, the Bank of Afghanistan, the Red Crescent, the Blood Bank, the representative from passport department of the Ministry of Interior and other relevant offices, which make a total of seven committees, all perform their duties with a unified regularity and a revolutionary spirit.

As regards the round-trip cost for the Hajj pilgrims he said: This year 7,000 such pilgrims will make the trip to holy Mecca to perform the pertinent religious ceremonies. Five thousand of these pilgrims will make the trip by air and another 2,000 will travel by land. As regards the fare or transport charges of the Hajj pilgrims, here I have to say that they consist of two categories: Those individuals who are making the trip for a seond or a third time, the cost for a round-trip has been assessed at 128,800 afghanis by the Bakhtar-Afghan Alvataneh[travel agency], also an amount of 10,000 afghanis will have to be paid to the Ministry of Islamic Affairs and Endowment as tax for health-related services.

For those Hajj pilgrims who are visiting the holy house of God for the first time, the government will subsidize 18,000 afghanis for each pilgrim and the travel agency has also made a discount of 10,000 afghanis for cost of transport for each. Thus, the revolutionary government will subsidize 28,000 afghanis for the transport charges of each Hajj pilgrim.

He further added: In order to better organize the affairs of Hajj pilgrims and insure that they do not encounter any difficulties, it has been decided that a 12-member administrative delegation and a medical team with all the necessary equipment and medicines to accompany them in their travel.

12719

APPOINTEE TO HEAR PEOPLE'S COMPLAINTS, SUGGESTIONS

Kabul ANIS in Dari 9 Jul 86 p 1

[Text] In a conversation with the correspondent of ANIS, Abdol-Hakim, who is the honorable representative of the inhabitants of Bagh-e Bala and a member of the Second District of Kabul's National Fatherland Front Council, said: As of November 7, 1985 I was elected a deputy to represent the inhabitants of Bagh-e Bala and from that date until now I have relayed my constituents' suggestions and wishes to the Kabul's Second District Committee Council Representatives, which include:

The completion of unfinished construction of the Pirboland Mosque of Bagh-e Bala, preventing the parking of flammable fuel carrier trucks in the by-streets of Bagh-e Bala, providing the basic necessities of the inhabitants, particularly such items as fire-wood, charcoal, etc. [for winter], eliminating electric power shortages, constructing a child care clinic in Bagh-e Bala, providing diesel fuel needs for some inhabitants, constructing special prayer area for women adjacent to the Park Mosque of Bagh-e Bala, constructing diversionary channels to carry away rain water [to prevent flooding], grading and levelling of the reads and installation of coin telephone booths comprise some of the requests of the inhabitants of Bagh-e Bala community. Accordingly, the executive committee has promised to construct flood diversionary channels and do the necessary grading and levelling of the roads and similarly make every effort to meet other demands of the inhabitants. In answer to another question he said: Meetings have been held with people on a continuous basis and the humanitarian objectives of the National Fatherland Front have been properly described to the people. Particularly, as regards discontinuing blood feuds and vendetta, spreading peace and enlisting eligible young people to the ranks of armed forces and other defenders of the revolution or inviting the people to join the National Fatherland Front and other social organizations, there have been extensive propaganda and promotional campaigns.

In a like manner, in honor of the fifth anniversary of the National Fatherland Front, the inhabitants of Bagh-e Bala participated in 10 voluntary work-teams—the members of such voluntary groups were generally composed of hard-working people of the community and some members of the National Fatherland Front and other social organizations. As a result of this voluntary cooperation about 150 cubic meters of the courtyard of the Mosque of Bagh-e Bala was excavated and regraded where necessary. Similarly, through voluntary work, on several occasions street cleaning and collection of trash was carried out by volunteers which was then transported to designated areas with the cooperation of the executive committee of the representatives of the second district of Kabul city.

12719

BRIEFS

EFFORTS AGAINST ILLITERACY--At the present time there is an extensive effort in motion throughout our country to eliminate illiteracy--this ominous and sinister legacy of many centuries ago--and with the passing of each and every day this endeavor gains new momentum. In this regard we have a report from the Central Urban Polyclinic Literacy Course for the Government employees and workers which will appear belor. There are 24 government employees among the students and despite the fact that most of these students are adults, yet they continue to attend their classes and learn their lessons with diligence and assiduity. In this regard, the role of the Primary Party Organization of the Central Urban Polyclinic Department is praiseworthy since until now six such literacy courses have been created by this office in the residential areas. There are 150 students enrolled in these literacy courses and the teachers are members of the Primary Party Organization who offer their services voluntarily. In 1364 [21 March 1985 - 20 March 1986] seven persons were graduated from these courses. Furthermore, in order to attract more people to the literacy courses, promotional gatherings are held three times a week in the residential neighborhoods. [Text] [Kabul HEYWAD in Dari 1 Jul 86 p 3] 12719

REPORT ON ERSHAD VISIT TO CORRIDOR VILLAGES

Dhaka THE NEW NATION in English 9 Jul 86 pp 1, 8

[Text]

DAHAGRAM, (Lalmonir-hat) July 8 (BSS): The people of Dah gram and Augarpota enclave were charged with emotion to get the Head of State of their country in their midst for the first time since the partition of India.

The old and young, men and women, children and even house-wives with their kids in their lap thronged to the local primary school premises to see and meet President Brahad who flew in here this morning. The people leaving their normal days work started assembling the palace since early at

morning.

A rare scone was witness when the helicopter carrying the president landed here. They brust out into cheers with all the warmth greating the President and started competiting each other to get close to President Fishad. The old ones were seen praying to their hearts for the President holding his bands.

Vicident Ershad who was visibly moved by the warmth of reception of the twelve thousand land-locked people of Dahagram and Angarpota, at times appeaple of the enclave.

Breaking normal formality, he went into the assembly of people and talked to-them informally enquiring of their welfare and assuring them of all assis-

Speaking on the occasion,
President Ershad called upon
the Indian government and
Prime Minister Rajiv Gandhi
to uphoid Indo-Bangladesh
agreement by transferring the
'The Bigha Corridor' to Bangladesh ag the arrivet in provide desh at the earliest to provide passage to the lababitants of the enclave who are of the enclave who are living in distressed condition, being separated from the mainland.

President Ershad said 'le is

a matter of regret that while angladesh transferred Berubaris esclave to India immediately after the 1974 Indo-Bangladesh agreement, India is yet to fulfil the provision of that agreement to transfer the Tin Bigha Cor-

with Indian leader three years ago they agreed to complete the handles over of Tin Bigha Corridor to Bangladeeh. Three years have since been passed, but it is yet to be materialised.

The President said "we are developing country. We have

a developing country. We have been trying to build our country. We want to maintain good and friendly neighbourly relations with our neighbours".

He said at the sme time we hoped reciprocation of the same friendly gesture from our

neighbours.
President Ershad said the days of isolation of the people

f the enclave will be over soon. He said once he has come per-socially to see their condition, all their problems will be solved and their feelings of neglect will

be redressed.

He said soon electricity will come to the eachave, police out post will be set up, medicare facilities will be made available and the area will be made a union souncil.

Referring to population boom President Ershad advised the people to adopt family planning to keep the population size to a tolerable level. He said Bangladesh is burdened with heavy population though the landmass is also to small. He said it will be some plant for every family to rear their children better if it is limited, he posted out.

posted out.
The President's speech was punctuated repeatedly with welcome slogans and obsers.

President Braind who was accompanied by Foreign Minister Humayun Rasheed Chowdhury, Home Minister Major General Mahmudui Hasan, Foreign Secretary Parooq A. Chowdhury, Home Secretary S.A. Mahmud and Education Secretary tory Kazi Arhar Ali also laid foundation for union parished building and a primary school.

perman building and a primary school. He also distributed bundles of cloths and articles of daily necessities among the needy.

/13104

CSO: 4600/1998

MINISTER EXPLAINS DHAKA'S NEW INDUSTRIAL POLICY

Dhaka THE NEW NATION in English 9 Jul 86 pp 1, 8

[Text]

A new industrial policy was announced yesterday aetting smell, cottage and handloom industries as a priority sector and giving increased emphasis on private participation in indus-

trial growth.

The policy stipulated conversion of enterprises of secetor corporations into public limited companies and sector corporations into holding companies for improving their operational efficiency and economic viability. Fortynine per cent shares of some enterprises including the profitable ones under the sector corporations would be unloaded to stimulate the share market and raise funds. Managecontractors might be ment engaged to operate and manage some of the major sick enterprines.

Explaining the salient fea-tures of the policy at a press conference, DCMLA and Minister in charge of Industries Air Vice Marshal Sultan Mahmood said it was formulated in the perspective of development objectives of the Third Five-

Year Plan.

It provided a number of incentives and administrative measures for speedy industrial growth. Tax holiday of five, seven and nine years would be given for industries to be set up in developed, less developed, least developed areas repectively.

Import duty on machinery for setting up new industry, BMR and expansion of existing industries would be 20 per cent for developed areas, and 7.5 per cent for less developed areas. A uniform rate of 2.5 per cent would be applicable to small and cottage industries in less

and least developed areas and also in BSCIC Industria! estates, export-oriented industries (minimum of 70 per per cent exports), industries in special sectors using 70 per cent or more local raw materials. Interest on term loan for industries in less developed areas would be two per cent lower than in developed areas.

RESERVED LIST

The reserved areas for public sector investment remained as it was. Investment would howbe considered where OVOF. private investment was shy, with or without private sector, which would ultimately be transferred to entrepreneurs. The reserved areas are : 1) arms ammunition and sensitive defence equipment 2) generation (ex-cluding standby captive generation), and transmission and distribution of electricity, 3) forest plantation and mechanised extraction within the bounds of reserved forests, 4) telecommunications, 5) air transport and railways, 6) atomic energy, and 7) security printing and mainting.

PRIVATE SECTS

No formal permission of the government would be required to set up industries outside the reserved list provided the entrepreneurs import machinery with their own resources. Permission would, however be necessary to set up industries in the 'discouraged list' including rice mill, cigarette, cold storage, sugar, and jute carpet.

Government control over industrial financing has been waived. Henceforth, commercial will be able

finance projects worth unto Tk. three crore. In of projects under small Case of projects unues.
Cottage Industries Corporation.
Cottage Industries Corporation. the limit was set at Tk 1.5 crore, in case of DFIs, Tk 6 crore and in case of Investment Board Tk 30 crore. Project above Tk 30 crore would be sanctioned by the National Council for Industrial Development.

The Directorate of Indus-tries would act as an extension centre and not for controlling investment.

Moreover, projects with imported raw materials content of more than 50 per cent in value should be referred to the investment board if not financed from own resources. Big projects including those involving foreign investment should be referred to the natio-nal committee for industrial development. Time limit for such sanctions would be two to four months.

Bangladesh Shilpa Bank would set up a special assistance fund (SAF) and development financing institutions would ex-tend working capital/loan to projects of innovative nature and those based on indigendus capi-

tal machinery.

Prompt and appropriate measures would be taken for realisation of term loans. No new industry would be sanctioned to any defaulters even if they desired to invest from own

resources.

Abandoned, vested and taken-over industrial units and shares and other proprietory interest would continue to be dis-invested in recognition of the importance and impact of the privatisation policy of the government.

Replying to a question the DCMLA said 482 units were disinvested till last month. This include return of 29 textile mills and 35 jute mills to former Bangladeshi owners.

FOREIGN INVESTMENT
Foreign Investment would
be encouraged specially in: 1)
export oriented industries, 2)
export processing zones, 3)
high technology products that
would be either efficient
import substitute or export
oriented, 4) Undertakings in
which more diversified use of
natural resources is made, and
5) existing public or private sector enterprises for
increasing productivity and or
tmproving quality of products.

natural resources is made, and
5) existing public or private sector enterprises for increasing productivity and or improving quality of products.

Foreign investment would be encouraged generally on joint venture basis. Proportion of equity between Bangladeshi and Foreign Investors would be determined on merit in each case.

The government would review labour policy from time to time and adopt appropriate measures for increasing labour-productivity and healthy labour-management relationship.

Replying to a question the Air Vice marshal said 8,130 industrial project involving investment of the 2,900 crore were sanctioned out of which 398 projects came into operation. Sanction for 526 were however cancelled while the rest in progress.

The Air Vice Marshal evaded reply saying "you have put me into the dock when asked how much corruptions you could curb in sector corporations after coming into power.

Following the take over in March 1982 the martial law government declared jehad (holy war) against corruption.

/13104 CSO: 4600/1998

BRIEFS

PARLIAMENT OFFICERS ELECTED—Acting Speaker Shamsul Huda Choudhury was elected Speaker of parliament yesterday. Leader of the House and Prime Minister Mizanur Rahman Chowdhury proposed Mr. Shamsul Huda Choudhury's name to be Speaker and it was seconded by Deputy Prime Minister Maudud Ahmed. Mr. Korban Ali, former manpower and labour minister, was elected Deputy Speaker when his name was proposed by Deputy Prime Minister Dr. M. A. Matin and seconded by the other Deputy Prime Minister Kazi Zafar Ahmed. The Speaker announced a five-member panel of chairman for the current session who would preside in the absence of the Speaker and the Deputy Speaker. Members of the panel are Syed Azizul Huq, Mr Abdul Malek Ukil, Mr Jahangir Mohammad Adel, Mr Mohammad Mohsin and Syeda Sakina Islam. Deputy Prime Minister Dr M. A. Matin placed before the House the annual report of the Public Service Commission for 1985. The House will meet again at 11 a.m. Monday. [Text] [Dhaka THE NEW NATION in English 11 Jul 86 pp 1, 8] /9274

CSO: 4600/1002

INDIA NOT TO ASSOCIATE ITSELF WITH PAK-AFGHAN TALKS

Madras THE FT DU in English 9 Jul 86 p 6

[Text]

NEW DELHI, July 8.

India has no plans to offer its good offices to or to associate itself. directly or indirectly with the proximity talks between Islamabad and Kabul for a political settlement of the Afghan problem to pave the way for the withdrawal of Soviet troops from Afghanistan.

A suggestion for India's association with the talks was recently made by Mr. T. N. Kaul, India's Ambassador-designate to Moscow. while speaking in his "personal capacity." The Government, however, is not thinking in these terms, even though India is in the rare position of having channels of communication with all the countries concerned-Soviet Union, the U.S., Afghanistan and Pakistan.

India will like the current exercise conducted in Geneva by the U.N. mediator on Afghanistan, Mr. Diogo Cordovez. The next round is

due to begin in Geneva on July 30 and as in the past will be conducted through him.

At the end of the last round in the second half of May, the two sides remained stuck on the crucial issue of the timing, conditions and other relevant details of the Soviet withdrawal. However, the Afghan side, according to diplomatic sources, found the Pakistani representative (in the indirect negotiations) flexible, and detected a perceptible readiness for a serious effort to settle the issue. The Kabul regime, however, reckoned with the possibility of Pakistan hardening its attitude under U.S. pressure.

The timing of the U.S. visit of Pakistan's Prime Minister, Mr. Mohammed Khan Junejo, is considered significant—he will be in Washington from July 15 onward, within a fortnight of the next round at Geneva. Whether and, if so, to what extent, there is any change in Pakistan's

stand will be known only after the visit.

Left to itself, Pakistan will be inclined to settle the issue, now that it has squeezed maximum political and economic benefits out of the Americans and has to contend with internal pressures, against its present Afghanistan policy. On no foreign policy issue was the popular opinion, as articulated in the wake of the withdrawal of the martial law, so completely at variance with the official line as was the case with the Afghanistan issue. Secondly, the advantages accruing to Pakistan from the presence of Afghan refugees were increasingly subjected to the law of diminishing returns. The tensions, political, social and economic, caused by them

were a major source of worry.

The last round—the seventh — of proximity talks revolved round the concept of simultaneity in the implementation of the various ingredients of the proposed package. The trend of earlier discussions, on three instruments relating to the principles of non-interference and non-intervention guarantees by the two superpowers and the return of refugees, was encouraging because of the spirit of understanding even though the issues remained to be clinched. During the last round Mr. Cordovez reported "real as well as technical progress." But the process, according to him, was slow be-cause of the extreme caution of the two sides which analysed every word of the draft of the fourth instrument.

The July 30 round—it is being described as extension of the seventh and not the eighth—whatever the description, will deal with the co-relation of the various steps that have already figured in detailed discussion and

the withdrawal of the Soviet troops.

/9317

CSO: 4600/1953

ONCC CHIEF TELLS STRATEGY IN OIL PROSPECTING

Bombay THE TIMES OF INDIA in English 7 Jul 86 p 16

[Text]

NEW DELHI, July 6.

THE Oil and Natural Gas Commission Chairman, Col. S. P. Wahi, said here today that sustained exploratory efforts in the coming decades were expected to be rewarded with establishment of "high quantum of producible, reserves."

Addressing a press conference here today, Col. Wahl said that the commission was now working on a short-term and long-term strategy for exploration and exploitation of hydrocarbons in the country.

The ONOC chief sounded optimistic in meeting the growing requirements of hydrocarbons in the country. He suggested that steps be taken soon to be set up a gas grid for distribution keeping in view the possibilities of large quantities of gas likely to be made available from the eastern and southern regions. He said the ONGC had already submitted a proposal to the Union ministry for petroleum and natural gas for the establishment of the gas grid.

establishment of the gas grid.

Prognosticated oil and natural gas resources of the 13 relevant basing where ONGC exploratory operations are continuing is estimated to be 15.85 billion tonnes of oil and oil equivalent of gas (oil 11.09 billion tonnes gas 4.76 billion tonnes) as on January 1. The commission's exploratory activities as far resulted in the establishment of 3.86 billion tonnes of initial geological reserves of oil and oil equivalent of gas (oil 2.9 billion tonnes, gas 0.96 billion tonnes) as on January 1. Thus, per centage of upgradation of prognosti

cated resources to inplace geological reserves works out to about 24 per cent.

Outlining the exploration strategy.

Col. Wahi said a two-pronged aggressive exploration strategy has been planned. The exploratory efforts in producing basins of Upper Assam, Cambay and Bombay Offshore are being intensified and exploratory efforts at an accelerated pace are being extended in Rajcathan, Krana-Godavari, Andamans, Bengal, samalayan foothills, Assam Arakan belt, Kutch Saurashtra, Kerala and Lakshadweep basins.

This strategy, he claimed, would enable early conversions of prognosticated resources to geological in place reserves and their exploitation, thereby contributing to additional crude production.

The success ration in exploratory efforts in this country is 1:3 as against the world average of 1:3 which, he said, "is an index of success."

Col. Wahi said, a 20-year conceptual plan upto 2004-5 had been drawn taking into account the resource base and three different strategies were worked out through modelling studies to meet the estimated level of demand of the order of 100 million tonnes of oil and oil equivalent of gas by that time, Ten-year operative plans were drawn covering the two national five-year plans.

According to the recent estimates, a demand level of 53 million tonnes has been projected upto the year 1989-90 and about 89 million tonnes by the turn of the century for petroleum products.

/9317 CSO: 4600/1951 TRIPURA LEADERS REJECT IDEA OF 'GREATER MIZORAM'

Calcutta THE TELEGRAPH in English 9 Jul 86 p 4

[Article by Sekhar Datta]

[Text]

Agartala, July 8: All major political parties of Tripura including the ruling CPI(M) and the Tripura Upajati Juba Samity, the state's major tribal party, have seriously objected to the MNF leader, Mr Laldenga's remarks that his organisation still entertained ideas of a "greater Mizoram" by incorporating the Mizopredominant areas of Tripura and other states like Manipur and Assam.

Leaders of these parties, notably the TUJS advisory committee chairman, Mr Shyama Charan Tripura, are opposed to the idea of "greater Mizoram." Mr Tripura told The Telegraph that "any settlement giving away any part of Tripura's territories to Mizoram would be actively opposed by the TUJS."

He said it was unfortunate that the MNF leader was still endeavouring for extraterrito-rial gains," as if he was negotiating as one head of the state with; another." The boundaries of the northeastern states have been settled after a number of factors were taken into account and Mr. Laldenga had no right to demand North Tripura areas like Jampui where many Mizos lived, Mr Tripura said.

One acquainted with the history of the northeast would know that Tripura kings had conquered large parts of what is now western Mizoram, he said. These areas were later given away to the Mizo hills district during British rule. But Jampui Hills with its small Mizo population remained within Tripura. Rai Tachak, legendary general of the Tripura kings, had occupied Rengdil (now in western Mizoram) in his campaign of chastisement of the Mizo-Kuki tribes who were then headhunters.

But, said Mr Tripura, "we are not raising any claim over those parts of western Mizoram and we expect Mr Laldenga will refrain from creating fresh prob-lems. Moreover, the bulk of the population of Jampui Hills, which Laldenga demands under his reater Mizoram scheme, are inhabited by the Reang tribes who have a long record at the hands of the Mizos and as such would not like to join Mizoram. Any impartial referendum in the Jampui Hills would go against Laldenga's claim," Mr Tripura

The TUJS leader was of the view that the Reangs in Mizoram. should be granted an autonomous district council to facilitate their development and for guarantee against exploitation.

Mr Diba Chandra Hrangkhawl, the party's MLA from

North Tripura, has strongly ob-jected to Mr Laldenga's remark and said that the MNF and the Mizo-dominated Tripura baptist church also wanted to pass off the Halam Kuki tribes as Mizo to strengthen Mr Laldenga's claims over a larger area in North Tripura. The TUJS leaders said they were not yet aware of the detailed provisions of the Mizo accord; and hoped the Centre would not parcel out Tripura areas to so-called greater Mizoram.

Both the Tripura chief minister, Mr Nripen Chakraborty, and the deputy chief minister, Mr Dasarath Deb, are not in the state and were not available for comment. But a top state CPI(M) functionary told this correspondent that Mr Laldenga's remarks only strengthened the contention that he still stuck to many of his old ideas. "It was basically improper to come to such a settlement with him, which would make the underground leader chief minister of the Union territory without having to face the popular mandate.'

The functionary said that since Mr Laldenga would face elections while still heading an interim government, there was every possibility that he would

stage-manage the polls

/9317

CSO: 4600/1952

'SAFE' OIL-EXPORT TERMINAL OPENED; OTHER ACTIVITIES REPORTED

London MEED/THE MIDDLE EAST'S BUSINESS WEEKLY in English 5-11 Jul 86 pp 8-9

[Text]

The Oil Ministry is shifting floating oil export terminals off Sirri island to further east in the Strait of Hormuz. The move follows speculation that the Iraqi air force may soon start to attack the Sirri facilities, which are supplied via a tanker shuttle service from the main Kharg island terminal in the war zone.

The new terminal, called Val-Fajr 2 (Dawn 2), opened on 29 June off Larak island, just south of Bandar Abbas and 210 kilometres northeast of Sirri. At least three chartered supertankers used as storage and floating terminals off Sirri have been transferred to Larak.

Tehran radio said international oil tankers can load off Larak in "complete security." There are big air force and naval bases at Bandar Abbas. The move will reduce war insurance premiums for tankers, making Iranian crude more competitive. But tankers bringing crude from Kharg will still be vulnerable to Iraqi air attacks.

Oil exports have been averaging about 1.5 million barrels a day (b/d) in recent months. Western estimates put exports in the third week of June at 1.4 million b/d, of a total output of 2.1 million b/d. The average figure for the second week of June was 1.9 million b/d (MEED 28:6:86).

- The UK's Metal & Pipeline Endurance (MAPEL) has an order to supply 1,500 magnesium anodes to the National Iranian Oil Company (NIOC). The contract is valued at more than \$150,000.
- The Atomic Energy Organisation of Iran's nuclear research centre invites bids for the supply of three medium-hot water boilers. No deadline is given.
- A large complex to make copper products is to open in 1988 near the Sarcheshmeh copper mine and plant, local press reports say.

- A senior Syrian trade delegation is due on 4 July to have talks about renewed oil and commercial contacts. Iranian oil supplies are reported to have resumed recently, after being stopped for several months because of Syria's failure to keep up payments. The Syrian team will include the oil and economy ministers, and central bank officials.
- The wholesale price index rose by 0.6 per cent in the Iranian month to 20 May, according to Bank Markazi (central bank). The index was 13.3 per cent higher than in April/May 1985. Most of the increase was attributable to price rises for rice, fruit, grains, vegetables and vegetable fats.
- Sudan's Energy & Mining Minister Adam Moussa Madibu is to visit Tehran in late 1986 to discuss possible purchases of Iranian oil, and greater co-operation in the oil and mining industries. Deputy foreign affairs minister Javad Mansouri recently visited Khartoum, where he had talks with Prime Minister Sadiq el-Mahdi. El-Mahdi said he hoped Sudan's Tehran embassy would reopen soon.
- Increased trade and economic co-operation with South Korea was discussed during a 10day visit to Seoul in late June. The supply of non-oil goods by Iran was included in the talks.
 The Iranian delegation was headed by deputy commerce minister Mojtaba Khosrowtaj.
- The government believes the Soviet Union has concluded that it must withdraw its troops from Afghanistan; it also believes that the US must not intervene. The statements were made by senior Foreign Affairs Ministry officials during meetings with Pakistan's visiting International Affairs Minister Shahriyar Khan. Iran has refused to join Pakistan in UN-sponsored discussions about Afghanistan, arguing that the Afghans themselves are not represented. Once Soviet troops pu'll out, discussions can start on the establishment of a "popular non-aligned government in Afghanistan," officials say.
- Ayatollah Moussavi Ardebili has been reappointed president of the three-member Supreme Court by Imam Khomeini.

/13046

CSO: 4600/453

END OF FICHE DATE FILMED Sept 25,1986